

plans complete together with use proposed for moneys to be raised by the sale of the commemorative coins; to the Committee on Coinage, Weights, and Measures.

By Mr. MEAD: Resolution (H. Res. 453) directing the Committee on Interstate and Foreign Commerce of the House of Representatives to investigate the activities of the United States Railroad Labor Board, and for other purposes; to the Committee on Rules.

By the SPEAKER (by request): Memorial of the Legislature of the State of South Dakota, petitioning the President and Congress relative to future wars; to the Committee on Military Affairs.

By Mr. CHRISTOPHERSON: Memorial of the Legislature of the State of South Dakota favoring legislation that will prevent water being removed from the Great Lakes by the Chicago Sanitary District; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of South Dakota, favoring the enactment into law of the universal draft bill; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of South Dakota, requesting Congress to enact adequate truth-in-fabric legislation; to the Committee on Interstate and Foreign Commerce.

By Mr. WILLIAMSON: Memorial of the Legislature of the State of South Dakota, favoring correction of the abuse by the Sanitary District of Chicago in the use of water from the Great Lakes; to the Committee on Rivers and Harbors.

Also, memorial of the Legislature of the State of South Dakota, urging the early enactment into law of the universal draft bill; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of South Dakota, favoring truth-in-fabric legislation; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: Memorial of the Legislature of the State of Montana, petitioning Congress to amend the interstate commerce act so as to protect shippers and livestock in their contracts with carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIS of Minnesota: Memorial of the Legislature of the State of Minnesota, urging Congress to create an additional Federal district judgeship, and providing for filling the vacancy there caused by the death of Federal Judge John F. McGee; to the Committee on the Judiciary.

By Mr. KVALE: Memorial of the Legislature of the State of Minnesota, stressing the urgent need of an additional district judgeship in that State, and urging that the Congress of the United States provide immediately by legislation for filling the vacancy caused in said judgeship by the death of the late Federal Judge John F. McGee in the public and private interest; to the Committee on the Judiciary.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HERSEY: A bill (H. R. 12393) granting an increase of pension to Matilda R. Snow; to the Committee on Invalid Pensions.

By Mr. JACOBSTEIN: A bill (H. R. 12394) granting an increase of pension to Caroline Boerodalle; to the Committee on Pensions.

Also, a bill (H. R. 12395) granting an increase of pension to Hannah Dyslin; to the Committee on Pensions.

Also, a bill (H. R. 12396) granting an increase of pension to Josephine C. Jones; to the Committee on Pensions.

Also, a bill (H. R. 12397) granting an increase of pension to Mary Neff; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 12398) granting an increase of pension to Mary E. Harl; to the Committee on Invalid Pensions.

By Mr. KINCHELOE: A bill (H. R. 12399) granting a pension to Jane Calahan; to the Committee on Invalid Pensions.

By Mr. MOREHEAD: A bill (H. R. 12400) granting an increase of pension to Louis Wise; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 12401) granting an increase of pension to Eliza M. Young; to the Committee on Invalid Pensions.

By Mr. STRONG of Kansas: A bill (H. R. 12402) granting an increase of pension to Violet Purnell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12403) granting an increase of pension to Lucinda Young; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 12404) granting an increase of pension to Thomas Mahan; to the Committee on Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3877. By the SPEAKER (by request): Petition of E. H. Duffield, vice president Arizona Wool Growers' Association, asking for grazing fee relief; to the Committee on Agriculture.

3878. By Mr. BACHARACH: Petition of sundry citizens of Egg Harbor, favoring the passage of the Sterling-Reed bill; to the Committee on Education.

3879. By Mr. CLAGUE: Petition of sundry citizens of Avoca, Minn., not to concur in the passage of compulsory Sunday observance bill (S. 3218); to the Committee on the District of Columbia.

3880. By Mr. COOK: Petition of Harrie Plummer and 55 others of Van Buren Grant County, Ind., for passage of the Cramton bill; to the Committee on the Judiciary.

3881. By Mr. CRAMTON: Petition of Joy Morton, II, and other residents of St. Clair County, Mich., in support of the game refuge public shooting ground bill; to the Committee on Agriculture.

3882. By Mr. DAVIS of Minnesota: Petition of the South St. Paul Kiwanis Club and the South St. Paul Commercial Club, of South St. Paul, Minn., favoring the erection of a Federal building in that city; to the Committee on Public Buildings and Grounds.

3883. Also, petition of sundry residents of Fairbault and Rice County, Minn., opposing S. 3218; to the Committee on the District of Columbia.

3884. By Mr. MOORE of Indiana: Petition of many persons against S. 3218, the compulsory Sunday observance bill; to the Committee on the District of Columbia.

3885. By Mr. NELSON of Maine: Petition of sundry citizens of Maine, opposing the enactment of S. 3218, or any similar legislation; to the Committee on the District of Columbia.

3886. By Mr. O'CONNELL of New York: Petition of the Maritime Association of the Port of New York, favoring the passage of S. 3927; to the Committee on Interstate and Foreign Commerce.

3887. By Mr. WYANT: Petition of the Pennsylvania State Grangers, approving the Dickinson bill (H. R. 12216); to the Committee on Agriculture.

3888. Also, petition of the secretary of agriculture of Pennsylvania, protesting against amendments to Capper-Volstead Cooperative Act and approval of Dickinson bill (H. R. 12216); to the Committee on Agriculture.

#### SENATE

TUESDAY, February 24, 1925

(Legislative day of Tuesday, February 17, 1925)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The Senate will receive a message from the House of Representatives.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, its enrolling clerk, announced that the House had passed the bill (S. 4207) to provide for the regulation of motor-vehicle traffic in the District of Columbia, increase the number of judges of the police court, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 12331) to amend an act entitled "An act making it a misdemeanor in the District of Columbia to abandon or willfully neglect to provide for the support and maintenance by any person of his wife or his or her minor children in destitute or necessitous circumstances," approved March 23, 1906, in which it requested the concurrence of the Senate.

#### ENROLLED BILLS SIGNED

The message further announced that the Speaker of the House had affixed his signature to the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 4202. An act to amend section 3186 of the Revised Statutes, as amended;

H. R. 5204. An act to authorize the Secretary of the Interior to adjust disputes or claims by settlers, entrymen, selectors, grantees, and patentees of the United States against the United States, and between each other, arising from incomplete or

faulty surveys in township 28 south, ranges 26 and 27 east, Tallahassee meridian, Polk County, in the State of Florida, and for other purposes; and

H. R. 7190. An act to amend the China trade act, 1922.

#### PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following memorial of the House of Representatives of the Legislative Assembly of the State of Montana, which was referred to the Committee on Interstate Commerce:

House memorial No. 3 (introduced by Burns) to Congress of the United States asking it to amend the interstate commerce act so as to protect shippers of livestock in their contracts with carriers

Whereas the interstate commerce act as amended has been construed by the United States Supreme Court to invalidate any contract entered into between a carrier and a shipper for the furnishing of cars to a shipper at a specified time;

Whereas the United States Supreme Court has construed such a contract to be a preference and to constitute a special advantage to a shipper and therefore invalid; and

Whereas shippers of livestock are now without any remedy for the violation of a carrier of such a contract: Therefore be it

*Resolved by the House of Representatives of the Nineteenth Legislative Assembly of the State of Montana*, That it is the sense of the house of representatives of this legislature that the Congress of the United States should remedy this situation by the enactment of proper legislation to remedy the same; be it further

*Resolved*, That a copy of this memorial be forwarded to the Senate and the House of Representatives of the United States and to each of the Senators and Representatives from Montana.

M. C. BRICKER,  
*Speaker of the House.*

I hereby certify that the within memorial originated in the house.  
H. J. FAUST, *Chief Clerk.*

This bill was received by the governor this 14th day of February, 1925.

J. E. ERICKSON, *Governor*,  
By WILL AIKEN, *Private Secretary.*

Approved February 16, 1925.

J. E. ERICKSON, *Governor.*

The PRESIDENT pro tempore also laid before the Senate the following memorial of the House of Representatives of the Legislative Assembly of the State of Montana, which was referred to the Committee on Post Offices and Post Roads:

UNITED STATES OF AMERICA,  
*State of Montana, ss:*

I, C. T. Stewart, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of an act entitled: A memorial to the Senate of the United States urging the immediate enactment of pending legislation to provide adequate compensation for postal employees, enacted by the Nineteenth Session of the Legislative Assembly of the State of Montana, and approved by J. E. Erickson, governor of said State, on the 19th day of February, 1925.

In testimony whereof, I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 20th day of February, A. D. 1925.

C. T. STEWART,  
*Secretary of State.*  
By CLIFFORD L. WALKER,  
*Deputy.*

House memorial 4, introduced by Graybill, to the Senate of the United States urging the immediate enactment of pending legislation to provide adequate compensation for postal employees

*To the honorable Senate of the Congress of the United States:*

Your memorialists, the members of the House of Representatives of the Nineteenth Legislative Assembly of the State of Montana respectfully represent:

Whereas 300,000 employees of the Post Office Department of the National Government are now receiving rates of pay insufficient to provide for a proper standard of living, and below the average paid for work of a similar sort in other Government departments; and

Whereas nowhere in any similar branch of the public service or in similar private employment is a higher degree of intelligence required, nor is the responsibility as great, the work as important, and the labor as arduous as among the employees of the Postal Service; and

Whereas efficiency in the Postal Service can not be maintained without the constant addition of new and capable personnel; and

Whereas pay increases during the past 9 years have not kept pace with known increase in costs of living, and that good men are not now being attracted into the service at the starting wage of fourteen hundred (\$1,400) dollars per year; and

Whereas employees of the Postal Service are handicapped in the matter of agitating for just increases because they are denied affiliation with powerful labor organizations, and are forbidden to strike to enforce their demands; and

Whereas House bill 11444 has just passed the House of Representatives of the Congress of the United States providing for increases in pay for postal employees that will in great measure remedy the injustice now being perpetrated upon these faithful servants of the Government and provide equitable compensation for their labors: Therefore be it

*Resolved by the members of the House of Representatives of the Nineteenth Legislative Assembly of the State of Montana*, That we do hereby memorialize the Senate of the United States to take steps at once to concur in House bill 11444 in order that the present session may see this matter fully accomplished and this great wrong righted; and be it further

*Resolved*, That a copy of this memorial be forwarded immediately by the secretary of state to the President of the United States, to the President of the Senate of the United States, and to our Senators and Representatives in Congress.

M. C. BRICKER,  
*Speaker of the House.*

I hereby certify that the within memorial originated in the house.

H. J. FAUST, *Chief Clerk.*

This bill was received by the governor this 18th day of February, 1925.

J. E. ERICKSON, *Governor*,  
By WILL AIKEN, *Private Secretary.*

Approved February 19, 1925.

J. E. ERICKSON, *Governor.*

The PRESIDENT pro tempore also laid before the Senate the following joint resolution of the Legislative Assembly of the State of Oregon, which was referred to the Committee on Agriculture and Forestry:

House joint memorial No. 5 to the Congress of the United States of America to enact legislation to promote equality for agriculture under the American protective system in the case of those crops of which a normal surplus above domestic requirements is produced

*To the honorable Senate and House of Representatives of the United States of America:*

Your memorialists, the members of the Thirty-third Legislative Assembly of the State of Oregon, the house and senate concurring, respectfully represent that—

Whereas the United States has established and maintains by law a system of protection which industry and labor make effective through their organization and through controlled production and supply; and

Whereas the entire land and agricultural policy of the United States has been aimed to secure maximum agricultural production, with a result that there is produced annually a normal surplus for export of fundamental crops; and it is physically impossible for agriculture to forecast or accurately control production, thus eliminating the surplus above domestic needs; and

Whereas the sale of such normal surplus in the world market establishes the domestic price at world levels, making inoperative tariff schedules intended to protect an American price for that portion of the crop consumed at home; and

Whereas the present improved price of some of the products of the farm is due to world shortages and does not permanently remove the disparity between the rewards of agriculture and of industry and labor under our protective system; and

Whereas it is vitally important to assure to agriculture, the basic American industry, a fair share of the national wealth by promoting parity for farming with industry and labor, and to prevent recurrence of the disastrous spread between farm and other prices that is fatal to general or permanent national prosperity: Therefore be it

*Resolved by the House of Representatives of the State of Oregon, the Senate jointly concurring therein*, That it urges the enactment by the Congress of the United States of legislation creating a farmers' export corporation to dispose of the normal surplus of basic farm commodities at the expense of all producers of such crop, in order that tariff schedules may be made effective in maintaining an American price for agriculture in our own domestic markets; be it further

*Resolved*, That a copy of this memorial be forwarded to the Senate and House of Representatives of the United States and to each of the Senators and Representatives from Oregon in Congress.

Adopted by the house February 5, 1925.

DENTON G. BURDICK,  
*Speaker of the House.*

Adopted by the senate February 10, 1925.

GUS C. MOSER,  
*President of the Senate.*



(Indorsed: House joint memorial No. 5. Introduced by L. L. Mann, A. R. Shumway, Walter W. Russell, M. Fitzmaurice, Charles A. Hunter, S. A. Miller, Claude Buchanan, H. C. Wheeler, C. A. Tom, Albert S. Roberts, Albert R. Hunter, and James H. Hazlett. W. F. Drager, chief clerk. Filed February 11, 1925, Sam A. Kozer, secretary of state.)

UNITED STATES OF AMERICA, STATE OF OREGON,  
OFFICE OF THE SECRETARY OF STATE.

I, Sam A. Kozer, secretary of state of the State of Oregon and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of house joint memorial No. 5 with the original thereof adopted by the Senate and House of Representatives of the Thirty-third Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon February 11, 1925, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Oregon.

Done at the capital at Salem, Oreg., this 14th day of February, A. D. 1925.

[SEAL.]

SAM A. KOZER, *Secretary of State.*

The PRESIDENT pro tempore. The Chair also lays before the Senate a concurrent resolution adopted by the Legislature of the State of Montana urging the enactment of legislation for the appointment of an additional Federal judge for the district of Minnesota. Inasmuch as the Judiciary Committee has already acted upon the bill referred to, the concurrent resolution will lie on the table.

Mr. McNARY presented the following joint memorial of the Legislature of the State of Oregon, which was referred to the Committee on Agriculture and Forestry:

STATE OF OREGON,  
DEPARTMENT OF STATE,  
Salem, February 18, 1925.

To the honorable the PRESIDENT OF THE UNITED STATES SENATE,  
Senate Chamber, Washington, D. C.

DEAR SIR: By direction of the Thirty-third Legislative Assembly of the State of Oregon, I have the honor to transmit herewith certified copy of senate joint resolution No. 9 filed in the office of the secretary of state of the State of Oregon, February 16, 1925.

Yours very truly,

SAM A. KOZER, *Secretary of State.*

Senate joint resolution 9

Whereas there has been proposed in Congress a bill known as the Colton bill (H. R. 6133, 68th Cong., 1st sess.), which provides that the Federal Government shall pay 100 per cent of the costs of building and developing certain primary interstate highways; and

Whereas the State of Oregon and the western part of the United States will profit greatly by the passage of such act: Therefore be it

*Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring),* That the Legislative Assembly of the State of Oregon hereby respectfully urges and petitions the Senators and Representatives of this State in Congress to use their best endeavors to secure the passage of the Colton bill; and be it further

*Resolved,* That the secretary of state of the State of Oregon be, and he is hereby, directed to transmit a copy of these resolutions to the Speaker of the House of Representatives, the President of the Senate of the United States, and the Members of the Senate and House of Representatives from the State of Oregon.

Adopted by the senate February 4, 1925.

GUS C. MOSER,  
*President of the Senate.*

Concurred in by the house February 13, 1925.

DENTON G. BURDICK,  
*Speaker of the House.*

[Indorsed: Senate joint resolution No. 9. Introduced by Senator Hall; Jno. P. Hunt, chief clerk. Filed: February 16, 1925; Sam A. Kozer, secretary of state.]

UNITED STATES OF AMERICA, STATE OF OREGON,  
OFFICE OF THE SECRETARY OF STATE.

I, Sam A. Kozer, secretary of state of the State of Oregon, and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of senate joint resolution No. 9 with the original thereof adopted by the Senate and House of Representatives of the Thirty-third Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon February 16, 1925, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the State of Oregon.

Done at the capitol at Salem, Oreg., this 18th day of February, A. D. 1925.

[SEAL.]

SAM A. KOZER,  
*Secretary of State.*

Mr. FESS presented a resolution of the Cleveland (Ohio) Chamber of Commerce opposing the adoption of the so-called Pepper resolution (S. Res. 234) and favoring the passing of the so-called Swanson resolution (S. Res. 220) relative to the adherence of the United States to the Permanent Court of International Justice, etc., which was referred to the Committee on Foreign Relations.

Mr. WILLIS presented a memorial of sundry citizens of Columbus, Ohio, remonstrating against the passage of the so-called compulsory Sunday observance bill for the District, which was referred to the Committee on the District of Columbia.

Mr. BINGHAM presented a memorial of the Ladies' Auxiliary of the Ancient Order of Hibernians, Division No. 48, of Hartford, Conn., remonstrating against the passage of the so-called Sterling-Reed bill, establishing a department of education, which was referred to the Committee on Education and Labor.

He also presented petitions of the Mount Carmel Book Club, of Hamden, and of sundry citizens of Watertown, all in the State of Connecticut, praying for the participation of the United States in the World Court under the terms of the so-called Harding-Hughes plan, which were referred to the Committee on Foreign Relations.

He also presented a petition of the Moodus Women's Christian Temperance Union, of Moodus, Conn., praying for the passage of the so-called Cramton bill, being House bill 6645, to amend the national prohibition act, to provide for a bureau of prohibition in the Treasury Department and to define its powers and duties, etc., which was referred to the Committee on the Judiciary.

He also presented a petition of the Natchaug Game Club, of Willimantic, Conn., praying for the passage of Senate bill 2913, the so-called game refuge public shooting ground bill, which was referred to the Committee on Agriculture and Forestry.

He also presented a letter in the nature of a petition from Charles L. Burdette, Auxiliary No. 4, United Spanish War Veterans, of Hartford, Conn., praying for the passage of Senate bill 3314, granting increased pensions to veterans of the Civil, Mexican, Indian, and Spanish Wars and their widows, and certain maimed soldiers, etc., which was referred to the Committee on Pensions.

REPORTS OF COMMITTEES

Mr. JONES of New Mexico, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 4340) confirming in States and Territories title to lands granted by the United States in the aid of common or public schools, reported it without amendment.

Mr. LADD, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 9027) authorizing the Secretary of the Interior to sell and patent to William G. Johnson certain lands in Louisiana, reported it without amendment and submitted a report (No. 1213) thereon.

Mr. SMOOT. From the Committee on Finance I report back with amendments Senate Resolution 333, to extend the authority of the select committee of the Senate appointed under Senate Resolutions 168 and 211 of the Sixty-eighth Congress, and I move that it be referred immediately to the Committee to Audit and Control the Contingent Expenses of the Senate.

The motion was agreed to.

Mr. SPENCER, from the Committee on Claims, to which was referred the bill (S. 4337) for the relief of James T. Conner, reported it without amendment and submitted a report (No. 1214) thereon.

Mr. MAYFIELD, from the Committee on Claims, to which was referred the bill (S. 4353) for the relief of Edith W. Peacock and the Peacock Military College (Inc.), reported it with an amendment and submitted a report (No. 1215) thereon.

Mr. COPELAND, from the Committee on Naval Affairs, to which was referred the bill (H. R. 9846) for the relief of Francis Kelly, reported it with an amendment and submitted a report (No. 1216) thereon.

Mr. WILLIS, from the Committee on Territories and Insular Possessions, to which was referred the bill (H. R. 11410) to extend the time for the exchange of Government lands for privately owned lands in the Territory of Hawaii, reported it without amendment and submitted a report (No. 1217) thereon.

Mr. BORAH, from the Committee on the Judiciary, to which was referred the bill (S. 916) to amend the trading with the enemy act, reported it without amendment and submitted a report (No. 1218) thereon.

Mr. CAMERON, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 11644) granting certain public lands to the city of Phoenix, Ariz., for municipal park and other purposes, reported it without amendment and submitted a report (No. 1219) thereon.

Mr. BUTLER (for Mr. PEPPER), from the Committee on the Library, to which was referred the joint resolution (H. J. Res. 318) establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Bunker Hill, authorizing an appropriation to be utilized in connection with such observance, and for other purposes, reported it without amendment.

#### ENROLLED BILLS PRESENTED

Mr. WATSON, from the Committee on Enrolled Bills, reported that on February 23, 1925, that committee presented to the President of the United States the following enrolled bills:

S. 2803. An act to regulate within the District of Columbia the sale of milk, cream, and ice cream, and for other purposes; and

S. 3173. An act to provide for the construction of a memorial bridge across the Potomac River from a point near the Lincoln Memorial in the city of Washington to an appropriate point in the State of Virginia, and for other purposes.

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHIPSTEAD:

A bill (S. 4379) to provide for executing the convention regulating the level of the Lake of the Woods; to the Committee on Military Affairs.

By Mr. CARAWAY:

A bill (S. 4380) granting a pension to Louisa Bell; to the Committee on Pensions.

By Mr. SPENCER (for Mr. MCKINLEY):

A bill (S. 4381) granting the consent of Congress to the city of Rockford, Ill., to construct, maintain, and operate a bridge and approaches thereto across the Rock River; to the Committee on Commerce.

By Mr. JOHNSON of California:

A bill (S. 4382) to supplement the naturalization laws; to the Committee on Immigration.

#### COMMISSION OF GOLD AND SILVER INQUIRY

Mr. ODDIE entered a motion to discharge the Committee to Audit and Control the Contingent Expenses of the Senate from the further consideration of the resolution (S. Res. 323) continuing the Senate Commission of Gold and Silver Inquiry.

#### CHANGE OF REFERENCE

Mr. McNARY. Mr. President, a day or two ago I introduced the bill (S. 4349) to authorize an appropriation to provide additional hospital and out-patient dispensary facilities for persons entitled to hospitalization under the World War Veterans' act, 1924, and asked that it be referred to the Committee on Appropriations. Upon further reflection I think the reference was incorrect. I therefore move that the Committee on Appropriations be discharged from the further consideration of the bill and that the bill be referred to the Committee on Public Buildings and Grounds.

The PRESIDENT pro tempore. If there be no objection, the Committee on Appropriations will be discharged from the further consideration of the bill and it will be referred to the Committee on Public Buildings and Grounds. It is so ordered.

#### HOUSE BILL REFERRED

The bill (H. R. 12331) to amend an act entitled "An act making it a misdemeanor in the District of Columbia to abandon or willfully neglect to provide for the support and maintenance by any person of his wife or his or her minor children in destitute or necessitous circumstances," approved March 23, 1906, was read twice by its title and referred to the Committee on the District of Columbia.

#### AMENDMENTS TO DEFICIENCY APPROPRIATION BILL

Mr. REED of Pennsylvania submitted an amendment intended to be proposed by him to House bill 12392, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 2, after line 20, insert the following:

"For payment of medical expenses of James F. Sellers, an employee of the Senate, incurred by reason of injuries received while in the discharge of his duties, \$827."

Mr. BURSUM submitted an amendment intended to be proposed by him to House bill 12392, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill insert the following:

"To pay Alexander K. Meek for extra and expert services rendered to the Committee on Pensions during the second session of the Sixty-eighth Congress as an assistant clerk to said committee, by detail from the Bureau of Pensions, \$1,200."

Mr. CAMERON submitted an amendment proposing to appropriate \$200,000 out of the reclamation fund for the purpose of carrying into effect the provisions of the act entitled "An act to authorize the appropriation of certain amounts for the Yuma irrigation project, Arizona, and for other purposes," approved February 21, 1925, for operation and maintenance and completion of the irrigation system required to furnish water to all of the irrigable lands in part 1 of the Mesa division, otherwise known as the first Mesa unit of the Yuma auxiliary project, Arizona, etc., intended to be proposed by him to House bill 12392, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. HARRIS submitted an amendment proposing to appropriate \$18,000 for payment to the Silver Lake Park Co., of Atlanta, Ga., for damages to and loss of private property incident to the training, practice, operation, and maintenance of the Army, intended to be proposed by him to House bill 12392, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. FLETCHER submitted an amendment proposing to appropriate \$7,500 to pay for preparing a new edition of the Biographical Congressional Directory, in the discretion of the chairman or vice chairman of the Joint Committee on Printing, etc., intended to be proposed by him to House bill 12392, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment intended to be proposed by him to House bill 12392, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 58, after line 26, insert the following:

"That in carrying into effect the provisions of existing legislation authorizing the acquisition of land for sites or enlargements thereof, and the erection, enlargement, extension, and remodeling of public buildings in the several cities enumerated in Senate Document No. 28, Sixty-eighth Congress, first session, the Secretary of the Treasury is hereby authorized to disregard the limit of cost fixed by Congress for each project, and to enter into contracts for all or so many of the buildings heretofore authorized to be constructed, but not yet under contract, as may be possible within the total additional sum of \$7,000,000.

"SEC. 2. That in the cities and towns enumerated in said document heretofore referred to, where sites only have been acquired or authorized to be acquired, the Secretary of the Treasury is hereby authorized to enter into contracts for the erection of a suitable building upon each such site, or upon so many of such sites as it may be possible to erect buildings upon within a total limit of cost for such buildings of not to exceed \$18,400,000.

"SEC. 3. That in constructing the buildings embraced in the foregoing authorization the Secretary of the Treasury is authorized, in his discretion, to provide space in said buildings for other activities or branches of the public service not specifically enumerated in the act or acts authorizing the acquisition of sites or the construction of buildings, or both."

#### PROPOSED INVESTIGATION OF THE PUBLIC DOMAIN

Mr. JONES of New Mexico submitted the following concurrent resolution (S. Con. Res. 34), which was referred to the Committee on Public Lands and Surveys:

*Resolved by the Senate (the House of Representatives concurring),* That there is hereby established a joint congressional commission to be known as the "Joint commission for the investigation of the public domain," to be composed of three Senators appointed by the President of the Senate, and three Members elect of the House of Representatives for the Sixty-ninth Congress, to be appointed by the Speaker. The commission is authorized and directed to investigate all matters relating to the public domain and its administration, including grazing lands, forest reserves, and other reservations and lands withdrawn



from entry. The commission shall elect a chairman from among its members, and vacancies occurring in the membership of the commission shall be filled in the same manner as the original appointment.

For the purpose of this resolution the commission, or any subcommittee thereof, is authorized to hold hearings and to sit and act at such places and times, to employ such experts and clerical, stenographic, and other assistants, to cause such maps to be prepared, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony, and to make such expenditures as the commission deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. It shall be the duty of any governmental establishment, upon request of the commission, to cooperate with and render assistance to the commission in carrying out the provisions of this resolution. The expenses of the commission shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers to be approved by the chairman of the commission. The commission shall make a final report to the Congress as to its findings and such other reports, together with recommendations for such legislation, as it deems necessary. The commission shall cease to exist upon the presentation of its final report, but not prior thereto.

#### PRESIDENTIAL APPROVALS

A message from the President of the United States by Mr. Latta, one of his secretaries, announced that on February 24, 1925, the President had approved and signed the following acts:

S. 2746. An act regulating the recovery of allotments and allowances heretofore paid to designated beneficiaries;

S. 3171. An act for the relief of sufferers from earthquake in Japan;

S. 3252. An act referring the claim of the State of Rhode Island for expenses during the war with Spain to the Court of Claims for adjudication;

S. 3793. An act to authorize the appointment of commissioners by the Court of Claims and to prescribe their powers and compensation; and

S. 3895. An act to authorize the coinage of silver 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the Battle of Bennington and the independence of Vermont, in commemoration of the seventy-fifth anniversary of the admission of California into the Union, and in commemoration of the one hundredth anniversary of the founding of Fort Vancouver, State of Washington.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, its enrolling clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on amendments of the Senate to the bill (H. R. 12033) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1926, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate No. 21 to the said bill and concurred therein, and that the House insisted upon its disagreement to the amendments of the Senate Nos. 1, 28, and 46.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11753) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1926, and for other purposes; that the House had receded from its disagreement to the amendment of the Senate No. 1 to the said bill, and concurred therein; that the House had receded from its disagreement to the amendment of the Senate No. 24, and concurred therein with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 11706) to authorize the construction of a bridge across the Pend d'Oreille River, Bonner County, Idaho, at the Newport-Priest River Road crossing, Idaho.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9535) authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9634) to provide for the creation, organization, administration, and maintenance of a naval reserve and a Marine Corps reserve.

#### ENROLLED BILLS SIGNED

The message also announced that the Speaker of the House had affixed his signature to the following enrolled bills, and they were thereupon signed by the President pro tempore:

H. R. 491. An act for the prevention of venereal diseases in the District of Columbia, and for other purposes;

H. R. 5726. An act to amend the act of Congress of March 3, 1921, entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act of Congress for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes'";

H. R. 9343. An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims; and

H. R. 10533. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a bridge across the Columbia River.

#### AMENDMENT OF NATIONAL DEFENSE ACT

Mr. WADSWORTH. I ask that the message from the President on the table be laid before the Senate.

The PRESIDING OFFICER (Mr. FESS in the chair) laid before the Senate the following message from the President of the United States, which was read:

To the Senate:

In compliance with the resolution of the Senate of February 21, 1925, I return herewith the bill, S. 3760, an act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes.

CALVIN COOLIDGE.

THE WHITE HOUSE, February 24, 1925.

Mr. WADSWORTH. This bill was recalled from the President by a concurrent resolution of the two Houses in order to correct an error in printing having to do with just one word.

The right word is "commissioned." The word "commissioned" was printed inadvertently in the bill as it reached the President in the form of "commissioner." I offer a concurrent resolution and ask unanimous consent for its present consideration in order that this error, entirely in printing, may be corrected.

The resolution (S. Con. Res. 35) was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives and of the President pro tempore of the Senate in signing the enrolled bill (S. 3760) to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes, be rescinded, and that in the enrollment of said bill the Secretary of the Senate be, and he is hereby, authorized and directed to strike out, on page 5, line 4, the word "commissioner" and insert in lieu thereof the word "commissioned."

#### ISLE OF PINES TREATY

Mr. WILLIS. Mr. President, since it seems to be a matter of discussion, I ask unanimous consent to have printed in the RECORD at an appropriate place a brief editorial from the Cleveland Plain Dealer entitled "By logic, American." It relates to the Isle of Pines treaty.

The PRESIDING OFFICER (Mr. FESS in the chair). Without objection, the request will be granted.

The matter referred to is here printed, as follows:

[Editorial from Cleveland Plain Dealer, December 11, 1924]

#### BY LOGIC, AMERICAN

The administration submits to the United States Senate the 20-year-old treaty negotiated under President Roosevelt but never ratified, by the terms of which the Isle of Pines is surrendered to the Republic of Cuba. It revives a controversy continuing since the end of the Spanish war. There ought to be a better understanding of the issue on the part of the American people.

By the treaty of Paris, following her defeat in the war for Cuba, Spain gave the United States a kind of quitclaim deed to Cuba; and in addition ceded to the United States Porto Rico and "other islands" then under Spanish sovereignty in the West Indies. The Isle of Pines was not mentioned by name.

The whole issue, then, revolves about the question whether the Isle of Pines is properly to be considered a part of Cuba, quitclaimed to the United States and later turned over by us to the island republic, or is an "other" island within the meaning of the treaty of Paris.

It is a legal issue, rooting far back in the history of Cuba as a Spanish possession years before Uncle Sam ever thought of playing the Good Samaritan rôle. The ablest of American lawyers have differed on the question. Elihu Root and John Hay, both distinguished jurists and Secretaries of State, said the island was Cuba's by right; and the Federal Supreme Court, when it declared that the island was "foreign" territory so far as the tariff law was concerned, seemed to uphold that side of the dispute. President McKinley, on the other hand, under whose direction the peace treaty was negotiated, at least some members of the peace commission, and the late Senator Clapp of Minnesota, himself an able lawyer, argued that the clear intent of the Paris instrument was to give the Isle of Pines unreservedly to the United States.

When it came to the enactment of the so-called Platt amendment in 1901, authorizing the establishment of the Republic of Cuba, the Isle of Pines was specifically omitted from the constitutional boundaries of the Republic and its status left for "future adjustment by treaty." Senator Platt, author of the measure, declared in 1902 that in his opinion the island should belong to the United States, if not by virtue of the treaty of Paris then by purchase or otherwise.

So the legal controversy has raged for more than 20 years. There is no probability of an agreement. Meanwhile the fate of a valuable island is at stake, thousands of Americans owning property on the island see their rights jeopardized—and the Senate has a treaty to ratify or reject.

Whatever may be the strict-construction legal status of the Isle of Pines, it is clear that at the end of the war the United States Government accepted the opinion that it had been ceded to us. With Government sanction a widespread propaganda was carried on to persuade Americans to invest in land and to build homes on the island. As a result hundreds took the pioneering chance, and to-day feel themselves in the position of men and women deceived by their own Government into an adventure they would never have undertaken had they even suspected that the protection of the Stars and Stripes would be withdrawn and themselves in effect declared "foreigners."

Every consideration of progress and fairness argues for American retention of the Isle of Pines. This calls for rejection of the treaty. If Cuba's right to the island be conceded as a matter of law—we offer no opinion as to that—negotiations ought to be entered into without delay looking to complete American possession of the island on terms fair to both nations. Strategically as well as commercially it is important that we control this outpost off the mouth of the Panama Canal. The millions of dollars which Cuba owes the United States ought to facilitate such negotiations.

For more than 20 years this treaty of renunciation on America's part has awaited approval in the Senate. Justice calls for its rejection and for a new policy toward the Isle of Pines. The island should belong to the United States.

#### GAME REFUGE IN OZARK NATIONAL FOREST

Mr. CARAWAY. From the Committee on Agriculture and Forestry I report back favorably without amendment the bill (H. R. 12192) to authorize the creation of game refuges in the Ozark National Forest in the State of Arkansas, and I call my colleague's attention to the report.

Mr. ROBINSON. Mr. President, I ask unanimous consent for the present consideration of the bill. In explanation will say that it is a bill which passed the House of Representatives some time ago, authorizing the President to designate such national forest land within the Ozark National Forest in the State of Arkansas, as should, in his discretion, be set aside for the protection of game animals, birds, or fish. The act would not be necessary were it not for the fact that certain of the lands within the Ozark National Forest belong to the public domain, and were not acquired under the Weeks Act, which gives the power to the President to establish such game preserves. The report is unanimous.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole and was read, as follows:

*Be it enacted, etc.,* That the President of the United States is hereby authorized to designate such national forest lands within the Ozark National Forest, within the State of Arkansas, as should, in his discretion, be set aside for the protection of game animals, birds, or fish; and whoever shall hunt, catch, trap, willfully disturb, or kill any kind of game animal, game or nongame bird, or fish, or take the eggs of any such bird on any lands so set aside, or in or on the waters thereof, except under such general rules and regulations as the Secretary of Agriculture may from time to time prescribe, shall be fined not more than \$500 or imprisoned not more than six months, or both: *Provided,* That no lands within the present limits of the fourth congressional district shall be included in such designation.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. ROBINSON. I ask that the report of the House Committee on Agriculture may be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

#### House Report No. 1438

Mr. HAUGEN, from the Committee on Agriculture, submitted the following report to accompany H. R. 12192:

The Committee on Agriculture, to whom was referred the bill (H. R. 12192) to authorize the creation of game refuges on the Ozark National Forest, in the State of Arkansas, having considered the same, report thereon with a recommendation that it do pass.

The Arkansas Legislature recently passed an act relinquishing to the Federal Government criminal jurisdiction over fish and game in the Ozark National Forest, which covers about 10 counties in the State.

The bill reported herewith in effect accepts that relinquishment and authorizes the President to designate certain places for game preserves and fish preserves in the Ozark National Forest.

The Ozark National Forest is made up partly of lands purchased under the Weeks Act and partly of lands derived from the public domain, chiefly of the latter.

If the Ozark National Forest was made up entirely of lands purchased under the Weeks law, it would not be necessary to give this authority, but much of the land in the Ozark National Forest is land derived from the public domain, and the act approved August 11, 1916, authorizing the setting aside of refuges, applies only to lands acquired under the Weeks Act and not to lands derived from the public domain; therefore this proposed legislation is necessary.

A letter from the Secretary of Agriculture approving the legislation is printed, as follows:

DEPARTMENT OF AGRICULTURE,  
Washington, February 7, 1925.

Hon. GILBERT N. HAUGEN,  
Chairman Committee on Agriculture,  
House of Representatives.

DEAR Mr. HAUGEN: I have received your letter of February 7, transmitting H. R. 12192, by Representative RAGON, of Arkansas, entitled "An act to authorize the creation of game refuges within the Ozark National Forest, in the State of Arkansas."

The effect of the passage of Representative RAGON's bill would be to permit the establishment by Executive order of some urgently needed game refuges under the direct control of the Federal Government within the Ozark National Forest, and is in direct accord with special legislation enacted by the General Assembly of the State of Arkansas, now in session at Little Rock, ceding jurisdiction over game, fish, and bird life on national forest lands.

Attention is invited to the fact that an act of Congress approved August 11, 1916, provides similar authorization, but with respect only to lands acquired under the Weeks law, March 1, 1911. The lands within the Ozark National Forest were derived mainly from the public domain, thus necessitating a special enactment to extend the authority to this national forest area.

I am convinced that the creation of such refuges would materially help the Department of Agriculture in bringing about adequate protection of all the resources within the national forest, and in addition effectively promote the replenishment of the seriously depleted game ranges and fishing streams of this region. This department strongly recommends the adoption of this proposed legislation.

Very sincerely yours,

HOWARD M. GORE, *Secretary.*

#### DECORATION AND DIPLOMA FOR JUDGE CLAYTON

Mr. UNDERWOOD. I report back favorably without amendment from the Committee on Foreign Relations the bill (S. 4032) authorizing the Department of State to deliver to the Hon. Henry D. Clayton, district judge of the United States for the middle and northern districts of Alabama, and permitting him to accept the decoration and diploma presented by the Government of France, and I submit a report (No. 1212) thereon.

I ask unanimous consent for the present consideration of the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. BORAH. Mr. President, I am not going to object to the consideration of the bill. We might as well dispose of it at one time as another. I only desire as a matter of record to state that I am opposed to the policy which is involved in this procedure and like procedures. I do not want to be placed in a position where I shall be considered by my silence to have given it my approval.



Mr. LENROOT. Mr. President, I am not going to object, but I would like to be heard for a moment upon the bill. I simply wish to say that I concur in the statement made by the Senator from Idaho. As I said, I am not going to object to the consideration of the bill, but I do think the Senate ought to know something about what the bill contains and the purpose of it, and have an opportunity to vote upon it.

Mr. UNDERWOOD. Mr. President, I did not intend to take the time of the Senate, but I will very gladly make a brief statement.

There are a number of bills that have passed the Senate authorizing officers of the United States Government, mostly military officers, but a number of civilians, to accept decorations from foreign governments. This decoration was conferred by the French Government on Judge Henry D. Clayton, whom many of the Members of the Senate know, as he at one time was chairman of the Judiciary Committee of the House and was the author of the antitrust law, the Clayton Act, bearing his name. His brother was the senior United States Army officer killed on the front line in France, Col. Bertram Clayton, a man of distinguished ability as a soldier, who served in both the Spanish war and the World War. That is partly the reason why the French Government conferred the decoration. Of course, the merits of the decoration is a matter between Judge Clayton and the French Government.

I can only say that a few days ago we passed a bill authorizing Surgeon General Cumming to accept a similar decoration, and as long as the Senate is doing it I do not see that there is any reason to draw the line. Therefore, I ask for a vote upon the bill unless someone wants to ask me a further question.

Mr. LENROOT. Mr. President, if this was similar to other bills which have been passed by the Senate I certainly would have no objection. I have a very high regard for Judge Clayton. I served with him in the House for many years. If this were a decoration that the French Government proposed to confer upon Judge Clayton for anything that Judge Clayton himself did, I would be the last to object to it; but the Senate ought to understand that this is a direct decoration proposed to be conferred upon Judge Clayton, not for any service that Judge Clayton rendered but because of the heroism of his brother. I do not believe that the Senate ought to create any such precedent.

Mr. UNDERWOOD. If the Senator will allow me, the Senate is creating no precedent. The Senate is conferring no degree. Repeatedly during the war the *croix de guerre* was conferred on the family of a deceased soldier, and it was sent to them. This is no precedent that the Senate is establishing. The only thing the Senate is doing is allowing an American citizen, who happens to be an officer of the United States Government, to accept a decoration which the French Government has decreed. It is the business of the French Government itself, not ours, to determine upon whom it shall confer these decorations. It is no affair of ours except that Judge Clayton, being an officer of the Government, can not accept the decoration without the consent of his country. That is the only question that is involved.

Mr. BORAH. My objection to the bill is a little broader than the one perhaps which I stated, or at least I did not state it fully. Judge Clayton is a member of the judiciary. He is a Federal judge. I can not conceive of any circumstances or conditions under which we should permit a Federal judge to receive a decoration of honor from a foreign government. The lackeyism of certain people in the United States toward foreign governments and the assiduity with which they pursue these fantastical honors have gone far enough already without now including the judiciary. There may be a limited field in which such things may be justified, at least debatable, but these supposed honors are becoming so common and so indiscriminate that it seems strange anyone would wish them.

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.,* That Henry D. Clayton, United States district judge for the middle and northern districts of Alabama, be, and he is hereby, authorized to accept the decoration and diploma of Chevalier of the Legion of Honor tendered to him by the Government of the French Republic, and the Department of State is hereby authorized to deliver to him the said decoration and diploma.

The bill was reported to the Senate without amendment, ordered to a third reading, and was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. UNDERWOOD. I ask for the yeas and nays.

The yeas and nays were ordered and taken.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Illinois [Mr. McCORMICK] and vote "nay."

Mr. MOSES (after having voted in the negative). I have a general pair with the junior Senator from Louisiana [Mr. BROUSSARD]. As that Senator is not in the Chamber, I am compelled to withdraw my vote.

Mr. GERRY. I desire to announce that the senior Senator from Kentucky [Mr. STANLEY] is detained from the Senate because of illness.

The result was announced—yeas 49, nays 27, as follows:

YEAS—49			
Brookhart	Fletcher	McKinley	Simmons
Bursum	George	McLean	Smith
Cameron	Gerry	Mayfield	Stanfield
Capper	Glass	Means	Stephens
Caraway	Gooding	Neely	Sterling
Cummins	Hale	Oddie	Swanson
Curtis	Harrell	Overman	Trammell
Dale	Harris	Pepper	Underwood
Dial	Heflin	Phipps	Weller
Dill	Howell	Ralston	Willis
Edge	Kendrick	Reed, Mo.	
Fernald	Keyes	Robinson	
Ferris	McKellar	Sheppard	
NAYS—27			
Ashurst	Copeland	Johnson, Calif.	Metcalf
Ball	Couzens	Johnson, Minn.	Reed, Pa.
Bayard	Edwards	Jones, Wash.	Smoot
Bingham	Ernst	King	Wadsworth
Borah	Fess	Ladd	Walsh, Mont.
Bruce	Frazier	Lenroot	Warren
Butler	Greene	McNary	
NOT VOTING—20			
Broussard	McCormick	Pittman	Spencer
Elkins	Moses	Ransdell	Stanley
Harrison	Norbeck	Shields	Walsh, Mass.
Jones, N. Mex.	Norris	Shipstead	Watson
La Follette	Owen	Shortridge	Wheeler

So the bill was passed.

Mr. REED of Pennsylvania. Mr. President, I desire in two or three sentences to explain why I think the Senate makes a mistake in passing such special bills as the one on which a roll-call vote was just taken.

A year ago we passed an omnibus bill allowing the acceptance of all foreign decorations then being held in the State Department. That bill is being held up in the other House. I do not know why it does not pass; but it seems to me to be highly unfair to pick out particular recipients of foreign decorations and to pass special bills for them. I ask the Senate to be on its guard against that practice in the future.

#### ALLEGHENY RIVER BRIDGE, PENNSYLVANIA

The PRESIDENT pro tempore. House bill 8887 is before the Senate, and the Senator from Missouri [Mr. REED] is entitled to the floor.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Missouri yield to me so that I may ask unanimous consent for the consideration of a bridge bill?

Mr. REED of Missouri. I yield to the Senator from Pennsylvania for that purpose.

Mr. REED of Pennsylvania. I ask unanimous consent for the present consideration of the bill (H. R. 11978) granting the consent of Congress to the commissioners of McKean County, Pa., to construct a bridge across the Allegheny River. The bill is in the usual form, the contract for its construction is ready to be let, it is an emergency case, and the bill will involve no debate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read a third time, and passed.

#### PROPOSED STATE TAX ON COTTONSEED PRODUCTS

Mr. HEFLIN. Mr. President, will the Senator from Missouri yield to me?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Alabama?

Mr. REED of Missouri. I do not wish to yield the floor, but I will yield to the Senator from Alabama if I shall not thereby be taken from the floor.

Mr. HEFLIN. I ask unanimous consent for the present consideration of the resolution which I submitted on yesterday. It involves a matter of very grave importance to all the cotton-growing States, and, I think, for the good of all the States the resolution ought to pass.

The PRESIDENT pro tempore. The Senator from Alabama asks unanimous consent for the present consideration

of Senate Resolution 344. Is there objection? The resolution was read at length on yesterday.

Mr. JONES of Washington. Let it be again read, Mr. President.

The PRESIDENT pro tempore. The Secretary will again read the resolution.

The reading clerk read the resolution (S. Res. 344) submitted yesterday by Mr. HEFLIN, as follows:

Whereas the Constitution vests in Congress the exclusive power to regulate commerce between the States; and

Whereas the free and untrammelled commerce between the several States is a cardinal principle of the Federal Constitution; and

Whereas the strict observance of these fundamental principles is necessary to the promotion and preservation of proper and cordial relationship between the various States; and

Whereas the Senate has reliable information to the effect that the legislatures of some of the States have measures now pending regarding interstate commerce that would do violence to the principles of the Constitution and set a precedent fraught with grave danger to the whole country: Therefore be it

Resolved, That it is the sense of the Senate that such legislation would be in contravention of the principles of the Federal Constitution.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. BORAH and Mr. CARAWAY addressed the Chair.

The PRESIDENT pro tempore. The Senator from Idaho.

Mr. BORAH. Mr. President, I think if the resolution is going to be considered it ought first to go to a committee, so that we may have a little time to examine it. We are asked to condemn proposed legislation by the respective States without knowing the terms or the details of such legislation. I do not think that we can act upon the resolution in fairness either to ourselves or to the States without further information. The State legislatures have their responsibilities; and, of course, if they enact legislation which is in contravention of the Constitution of the United States by reason of attempting to interfere with interstate commerce, there is a remedy for it, and such a remedy as is ordinarily pursued. But, at least, Mr. President, I should want to know before the resolution is acted upon, something more about the details of the proposed State legislation and whether or not it will really in fact contravene the Constitution of the United States.

Mr. CARAWAY. Mr. President, will the Senator yield to me for just a moment?

Mr. HEFLIN. Mr. President, I should like to say to the Senator from Idaho that there is not a line in the resolution at which any State can take offense. The Senate is merely asked to go upon record as deploring any effort anywhere to undertake to regulate by the States commerce between the States.

The cottonseed-oil trust is making every effort possible to destroy the price of cottonseed products. It has broken the price by this movement to the extent of over a million dollars. Every one of the cotton-growing States is wiring to its Representatives in the House of Representatives and in the Senate requesting them to do something to stop this effort on the part of States to outlaw legitimate products of the Southern States. The cottonseed-oil interests do not want this resolution to pass. The people of the cotton-growing States buy from the people of the State of the Senator from Idaho their grain, their hay, their meat; the Southern States furnish the best market the people of many of the other States have in the United States. I merely want to sound a note of warning against legislation of this character at the very outset, and I regret to see the Senator from Idaho and one or two other Senators, even from the South, are opposing such action as the Senate is asked to take in this matter.

Mr. BORAH. Mr. President, I do not know that I am opposing the action which is sought to be taken, but I do feel some delicacy about voting upon a measure, the facts concerning which I do not know. I am not aware whether the threatened legislation is or is not contrary to the Constitution. I certainly would not wish to see a war of commerce between the States; I have no desire to encourage any such condition; but, on the other hand, I have no desire to condemn the initiative of State legislatures until I am informed as to whether or not they are really proposing to do this thing.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. HEFLIN. Mr. President, the passage of this resolution, if the Senator from Arkansas will permit me, will protect the legislatures. When legislation of the character complained of is proposed in one State or several States, other States, seeing what has been done, commence to introduce like measures without knowing that they are unconstitutional. If

the Senate shall go upon record, as my resolution proposes, it will be a protection to the members of State legislatures, for they could say to the people who would seek such legislation, "That would be unconstitutional; the Senate has passed a resolution to that effect."

Mr. CARAWAY. I wanted to ask the Senator from Idaho—

Mr. REED of Missouri. Mr. President, I am still trying to retain the floor. I yielded only for a moment. I am not protesting, of course, against any interruption the Senator from Arkansas may desire to make.

The PRESIDENT pro tempore. The Chair feels that at this stage of the proceedings he can not entertain debate upon the request for unanimous consent. The Chair understands the Senator from Idaho to object.

Mr. BORAH. Yes, Mr. President; I ask that the resolution may be referred to the Committee on the Judiciary.

The PRESIDENT pro tempore. Is there objection?

Mr. HEFLIN. Mr. President, if it shall be referred to the Committee on the Judiciary, I want to tell it "good-by."

Mr. BORAH. There are some "good-bys" which are wise.

Mr. HEFLIN. If the Senator from Idaho would suggest that the resolution be reported back immediately or at an early day for consideration, I should not seriously object.

The PRESIDENT pro tempore. The Chair asks whether there is objection to the reference of the resolution to the Committee on the Judiciary?

Mr. BORAH. Mr. President, I shall have to object to the consideration of the resolution, but I should like to have it referred to the committee. I am just as anxious as is the Senator to avoid any trade war, but there is a way to do it, it seems to me, with more intelligence and more information than we now have.

Mr. HEFLIN. Mr. President, there is not a line, I repeat, in the resolution that would give offense to a single State in the Union. The State of the Senator from Idaho is one of the States that is undertaking to pass legislation of this character. His colleague has already wired to the legislature and the governor of his State protesting against such legislation, and I think it would be the best step this Congress could take to pass a resolution of this kind. I am not going, however, to take up the time of the Senator from Missouri. I thank him for yielding; but I shall discuss this matter later on during the day at some length.

Mr. BORAH. Very well.

#### COMMISSION OF GOLD AND SILVER INQUIRY

Mr. ODDIE. Mr. President, will the Senator from Missouri yield to me?

Mr. REED of Missouri. I yield.

Mr. ODDIE. I ask that the Committee to Audit and Control the Contingent Expenses of the Senate be discharged from the further consideration of Senate Resolution 323, which is to continue the life of the Senate Commission of Gold and Silver Inquiry through the Sixty-ninth Congress.

The PRESIDENT pro tempore. Is there objection?

Mr. WARREN. I object.

Mr. CURTIS. Mr. President—

The PRESIDENT pro tempore. The Chair will not entertain a debate upon a question of unanimous consent.

Mr. CURTIS. The Senator from Kansas does not intend to debate the matter. The Senator from Kansas wanted to say that he understood this was just the entry of a motion. He does object to taking it up to-day. Under the rules it must go over a day.

The PRESIDENT pro tempore. Objection is made.

Mr. ODDIE. Mr. President, just one word.

The PRESIDENT pro tempore. Does the Senator from Missouri further yield to the Senator from Nevada?

Mr. REED of Missouri. I yield.

Mr. ODDIE. I will say that it was my intention to have this matter lie over until to-morrow.

#### NATIONAL BANKING ASSOCIATIONS AND FEDERAL RESERVE SYSTEM

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8887) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918, to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5209, section 5211 as amended of the Revised Statutes of the United States, and to amend sections 13 and 24 of the Federal reserve act, and for other purposes.



Mr. REED of Missouri. Mr. President, on yesterday evening I was in the midst of a discussion of the question of branch banks and had dealt with that proposition as a general proposition. I only desire the attention of the Senate for a few moments to the provisions of this bill.

The bill does not propose to authorize a branch-bank system generally, but the bill does propose to authorize in some 22 States the establishment of branch national banks in all cities of 25,000 inhabitants and greater than 25,000; and when the population of a city has reached 100,000 the number of branches is limited only by the discretion of the Comptroller.

That, Mr. President, is neither fish, flesh, nor fowl. If the branch-banking system is sound, its benefits ought to be extended to all parts of the country. If it is unsound, we ought not to have it at all. I repeat what I said yesterday, that the sole reason urged for granting the right to establish branch banks in these 22 States is that under the laws of those States State banks may establish branches; but it is not here proposed to give to national banks in those 22 States the same right to establish branches that may be granted by the State legislatures to the State banks. It is only proposed to grant the right to establish branches to a limited extent. If it is logical and sound to grant the right to national banks in States permitting State banks to have branches, then we ought to grant to the national banks the same rights which are conferred by the State legislatures.

The committee, however, evidently did not regard that as sound or safe. They evidently saw a latent danger in the establishment of branch banks, and hence they propose to grant the right with limitation. So I say again that this bill is neither fish, flesh, nor fowl. It does not establish a general branch-banking system coextensive with the country and containing such elements of strength and accommodation as a general branch-bank system may possess, but carrying also the dangers and evils which such a system embraces. It does not propose to grant to all banks in the country the right to establish branches in their municipalities; nor does it propose, even in States where branch banks are permitted for State institutions, to permit the establishment of branches for national banks upon the same terms as the State banks are permitted to establish their branches. What the bill does do is to take a step of a most important character toward the branch-banking system, and it is interesting, now, to trace the progress of this movement.

At first we absolutely prohibited any branch banks, except in the few instances where they had already been established. Then the banks came here, or certain banks, and said they were engaged in foreign business, and requested the right to establish branches in foreign countries, and it was urged that that would be no particular disadvantage. Then, after that had been granted, we were told that there were certain advantages which State trust companies had over the national banks, and that we ought to take away those restrictions, and we proceeded to take away certain of them. Now it is proposed to introduce the branch-bank system into 22 States of the Union, and when that is done we can confidently expect that the other States will speedily make similar requests.

So we might as well look this question in the face. It means the establishment throughout the Union ultimately of a system of branch national banks; and having admitted that it is proper to allow a bank to have branches in the city in which it is located, the same logic will permit the establishment of branches in the county. Then the question will be, Why limit the privilege to a county? And it will be extended to a State. Then the question will arise, Why limit this privilege by State lines, because commerce is not limited by State lines; business does not know State lines? And the argument will be made, and made logically, having admitted the desirability of national banks with branches in cities or in counties or in States, that the system should be extended to the Nation.

That means, Mr. President, the concentration of the banking business in a few hands. There are many people who believe that to be the correct policy. There are many people who believe that there should be in this country only one great central institution, with a vast number of branches, and they argue that that makes for economic saving; they argue that that makes for stability. The argument upon the other hand, however, is that it destroys the small independent banking institutions, and that the existence of a great number of independent banks, each in competition with the other for business, and each in alliance with the local interests of the various communities of the country, makes for a better and more healthful economic condition.

I believe in the latter doctrine, sir. I believe that there is nothing that will have a greater tendency to throttle the free

industries of this country than to concentrate the financial control in the hands of the management of a few great institutions.

Now, Mr. President, speaking directly to the provisions of this bill, under its terms in every city of these 22 States having more than 100,000 population as many branch banks can be established as the comptroller sees fit to license. That inevitably means that one or two great, stronger institutions will absorb the business that is now carried on by a considerable number of independent banks. The small independent bank that is located in the suburbs of a city and exists because it accommodates local trade will find placed next door to it a branch of some powerful institution, and its business will be taken from it, and it will go out of business.

That is the reason why this provision is put into this bill. It means to strengthen the powerful institutions of a city, to give them the opportunity to undermine and destroy the smaller institutions. I believe in the smaller institutions. I believe that a small institution has the advantage, first, of being independent, and hence, if it fails, it does not draw down with it a large number of other institutions. Second, it is immediately responsive to the needs of the particular community where it is located. Third, it affords to the customer of the bank the opportunity to deal, not with one financial institution, but with a large number of financial institutions, so that if credits are refused, or if discount rates are extortionate, the customer can find a rival bank willing to transact business with him, if he be solvent and entitled to credit.

Therefore, and for many other reasons which I do not want to take the time of the Senate to urge, I am opposed to this provision of the bill. If we are ready to establish a branch-banking system in this country, let us do it with our eyes open. Let us not open the windows on one side of the house to-day, well knowing that we will open them upon the other side to-morrow, and that the day after all of the doors will be opened.

Mr. DILL. Mr. President, will the Senator yield?

Mr. REED of Missouri. I have concluded. I will, however, answer any question the Senator desires to ask me, if I can.

Mr. DILL. I wanted to get the Senators' opinion of the Senate committee's action in striking out those provisions of the House bill which prohibited State banks with branches coming into the system of national banks, and keeping their branches. In other words, the bill as amended by the Senate committee will permit these banks which have the branches to come in, and retain the branches they now have, while the bill, as it passed the House, forbade them retaining their branches outside of the municipality where the parent bank was located.

Mr. REED of Missouri. What I have said I think covers the whole field. We have our national banking system, which has been a great success. I think it a very healthful thing in our country that we have a national banking system and that we have State bank systems, and, as I argued yesterday, a Federal reserve system sufficiently tying together the financial interests of the country so that in case of a crisis we have a stability that has withstood the stress of a great war.

I know that there has been criticism of the management of the Federal reserve system. I do not desire to enter into that discussion. I think some of the criticism is justified, and that some of it has been without justification; but that was a question of management, and I would still rather have an institution in which the public have something to say than to have a branch bank system in which one or two boards of directors of privately owned institutions could retire to their directorial room and there either expand or contract the credits of the country.

Mr. NORRIS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. REED of Missouri. I do.

Mr. NORRIS. It may be that the question I am about to propound has been discussed—

Mr. REED of Missouri. I desire to yield the floor, but I will try to answer anything the Senator has to ask.

Mr. NORRIS. I have not been able to follow the discussion; I was not here last night when the bill was debated. If I am asking a question that has been covered, I will not expect the Senator to answer it.

I have had this proposition put up to me in conversations with various people who have talked with me about this bill. When I have expressed the opinion that I felt prejudiced against branch banking they have said that something of this



kind—to permit national banks to establish branches—was necessary in order to preserve the Federal reserve system; that national banks were losing ground in competition with State banks because they could not establish branch banks.

Mr. REED of Missouri. I did discuss that phase of the matter, and it was debated to some extent yesterday, but I will try briefly to give the Senator my views regarding it.

In the first place, when we established the Federal reserve system the State banks, with their branches, already existed, and the national banks had prior to that time existed without the right to have branches at all and had voluntarily chosen the national banking act as the law under which they would do business. That was the condition before we ever created the Federal reserve system. When we created that system we did not further limit the rights of the national banks in regard to branches, but allowed them to remain as they were at that time.

When we created the Federal reserve system any national bank not desiring to come into the system because there were branch State banks had its option at that time to come in or stay out. If it did not want to come in, it could then be organized under a State law and surrender its national charter. But many of them exercised the option to come in, and they did that in line with their past experience. They elected to come into the system.

We have been operating the Federal reserve system since 1914, and the national banks have not gone out of the system. On the contrary, the aggregate capital of the national banks in the system is, as was stated yesterday by the Senator from Virginia [Mr. GLASS], who gave accurate figures, vastly greater than it was when the system was organized. The number of banks in the system is greater, I understand. It was said that last year a considerable number of banks went out of the system, but it is discovered that a great number of national banks went out of business. I have not had an opportunity to examine the figures, but I think it will be found that quite as many went out in States where branch State banks are not allowed as in States where they are allowed. The withdrawal of these national banks, therefore, was not on account of a condition which had always existed and which is no more onerous now than it has been at all times in the past, but they went out because in most instances they were failing, or they were consolidating. I think there were four or five more national banks in my city three or four years ago than there are now, but some of those banks consolidated with other banks, and hence surrendered their charters, and in most instances they consolidated because they were obliged to liquidate.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. REED of Missouri. I yield.

Mr. COUZENS. I would like to ask the Senator if he has any opinion as to the growth of branch banking in connection with State banks since the national banks elected to go into the Federal reserve system?

Mr. REED of Missouri. I will have to answer the Senator frankly that I have not looked into that question.

Mr. COUZENS. I believe that this agitation at this time is largely due, if not entirely due, to the enormous growth of branch banking by State banks, which has been going on for a number of years to such an extent that the national banks, with no branch-banking facilities, have found it difficult to compete with State banks, and in many cases they have held off changing their charters from national charters to State charters, hoping that the Congress would at some time in the near future permit the establishment of branch banks under national charters.

Mr. REED of Missouri. Mr. President, that is the opinion of the Senator. I know of no such condition. In my own State trust companies have very wide powers, and it was said they would drive the national banks out, but they have not done so.

I beg my colleagues to bear this in mind when they come to vote on this bill, that if a branch-banking scheme is unsound, we never should graft it onto the national banking system, even if States improvidently grant the right to their State banks to organize a large number of branches. If temporarily those State banks get some business thereby away from the national banks, still, if that be not a sound system, if it be a dangerous thing to do, we should not carry it into the national banking system, because by so doing we would impair the entire system, and we would tend to centralize the control of the finances of the city or of the State, and finally, perhaps, of the Nation itself, in the hands of a few large institutions.

Whenever we do that, in my judgment, we will make a tragic mistake. The thing that has kept the commerce of America free, the thing that has developed the cities, towns,

and villages of the United States has been the independent banking system of this country; the bank that grows up with the municipality, that is officered by the citizens of that municipality, who have an interest in the welfare of the community; the bank that stands by itself, so that if it shall per-adventure fail, it falls alone, and does not bring down with its destruction a large number of other institutions. Nearly every rotten failure we have had in the United States in recent years has been through what we term "chain" banks, one bank being organized, then part of its capital or resources employed to organize another, and so on, until finally an evil day comes, and one of those banks fails and the entire chain of banks goes down with it. That was the case with the Morse banks, whose failure precipitated what we commonly call the Roosevelt panic, for one of them failed, and the Knickerbocker Trust Co., being the banking institution of the Morse banks, was confronted by a run, and in a few hours' time the panic spread until it closed the banks of New York City, and then in turn the banks of the United States were closed.

The PRESIDENT pro tempore (at 1 o'clock p. m.). The Senator from Missouri will suspend a moment. Pursuant to the unanimous-consent agreement heretofore entered into, the Chair lays before the Senate Senate bill 3011.

Mr. REED of Missouri. Mr. President, I simply wish to say this in conclusion. I am not standing here out of any desire to oppose the committee or any desire to obstruct the bill, but I beg the Senate to pause and consider before it fastens a branch banking system upon the country. I do not hesitate to assert that the advantage of a bank organized as a national bank, the advantages that go with full membership in the Federal reserve system, and the general advantage that goes with clean-cut banking are such that the national banking system will stand unless we so alter it and change it that instead of having a large number or a considerable number of independent national banks in the cities of the country, we will have only a very few with a large number of branches. I appeal for a consideration of the question because, in my opinion, it strikes at the very roots of the independent banking system of the United States.

#### PERSONAL EXPLANATION

Mr. BURSUM. Mr. President, I rise to a question of personal privilege. This seems to be an open season for Senators.

Certain newspaper articles have been called to my attention, which articles allege that I am charged with having violated the Federal statutes in relation to a proposed sale of cattle grazing in the Republic of Mexico in 1923. In view of the publicity I feel that it is due to the Senate and myself to make a brief statement regarding this matter. To my mind, this transaction referred to is purely a private transaction and the services which I rendered had no connection, either directly or indirectly, with this Government, its departments, or any of its agencies.

I did go to Mexico City in 1923 at the request of the Livestock & Agricultural Loan Co., of Albuquerque, a local State corporation, and individual local bankers of New Mexico, and made an effort to sell some cattle grazing in the Republic of Mexico. I failed to consummate the sale, one of the reasons being that the Mexicans did not have the cash available to pay for the cattle. The manager of the loan company in Mexico City asked what terms could be given. I replied that I had no authority to offer any terms except cash; that the cattle were owned by hundreds of individuals in my State and most of them mortgaged either to banks or to the Livestock & Agricultural Loan Co.; that I would make inquiries and if any terms could be submitted I would submit them after my return to the United States.

I spent about two months in Mexico City, paid my expenses out of my own pocket, and made no charge and received no compensation for such expenses. On my return to this country in October, 1923, I reported to the Livestock & Agricultural Loan Co. and the local bankers interested the situation as I saw it and suggested that if the Livestock & Agricultural Loan Co. would accept securities guaranteed by the Mexican Government I believed there would be a fair chance of selling the cattle, and on request of the loan company in New Mexico I submitted a proposal in writing to that effect, a copy of which proposal I am sending to the desk with the request that the same be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Without objection, it is so ordered.

[The matter referred to appears at the close of Mr. BURSUM's remarks.]

Mr. BURSUM. The proposal was not accepted. No transaction was had. No agreement was entered into pursuant thereto. No further efforts were made regarding the sale and



no further proposals or offers were made to the Mexican corporation and, incidentally, later I learned that if the proposal or offer had been made to the Mexican corporation it would not have been accepted.

At no time did I make any request of any governmental department, bureau, or agency, in writing or verbally, either directly or indirectly, either on my own behalf or through any other person, to do anything whatsoever in relation to the sale of the cattle, or the purchase, or the payment in any manner or connection therewith. Neither did I at any time represent or make any request whatsoever of or before any governmental department, bureau, or agency on or in behalf of the said Livestock & Agricultural Loan Co. regarding any matter whatsoever, nor the acceptance of any securities by the Government in connection with such sale.

Had the proposal been accepted and had I proceeded with the transaction, I would have been within my rights and would not have violated any law thereby. Great benefit to the cattle raisers would have accrued had the sale been consummated, as the market in this country was, and is yet, demoralized. I may add, had the sale been consummated, most of the commission, and possibly all, would have been consumed in expenses incident to legal proceedings necessary to the transaction, grazing rentals, and other charges which were liens on the cattle as well as the expense of labor and supervision of the delivery and classification of the cattle in case of sale.

The proposal referred to by Mr. BURSUM is as follows:

ALBUQUERQUE, N. MEX., October 18, 1923.

To the LIVESTOCK & AGRICULTURAL LOAN CO.,

Albuquerque, N. Mex.

GENTLEMEN: Pursuant to the conversation which we have hereinbefore had relating to the possibility of disposing of the cattle now in Mexico, and including also some cattle which are outside of Mexico and still in this country which are being carried by some of our local banks, I desire to say that the chances are favorable for completing the negotiations with the Caja de Prestamos, which I have initiated in your behalf at Mexico City upon the following basis:

27,000 cows at.....	\$40
6,000 yearling heifers at.....	30
6,000 calves at.....	15
800 bulls at.....	100
500 saddle horses at.....	35

Commission to cover sale as follows:

	Per head
Yearlings and cows.....	\$2
Calves.....	1
Bulls and horses.....	5

I am not informed as to whether or not the consent of the owners who have pledged the cattle as security has been obtained by your company. I am assuming that it has. However, in this regard, I take it that it would be highly desirable if the American owners of cattle just now had their cattle on their own ranges within the United States. While I have great confidence that the Government of Mexico has started out on a firm, peaceable basis, yet it must be conceded that livestock, as a rule, can be handled more successfully under the care of the owner, conditions being favorable, which they are just now so far as the New Mexico ranges are concerned, and I may add that there is no security under the sun for the safety of property equal to that under the Stars and Stripes. Therefore, if any of the owners, or all of the owners, would prefer, and it is agreeable to those carrying the securities, I would be willing to arrange so that every owner with whom it was agreed to retain his cattle that for every 100 cows which he now has in Mexico which might be delivered under sale made to the Caja de Prestamos, he should have returned to him 105 cows of equal or better quality of flesh condition, delivered on American soil with the guaranty that the freight rate from point of delivery should not exceed the freight rates to bring back the cattle from Mexico. Also, as relating to bulls, for every bull that might be turned over in Mexico I would replace him with a yearling, good grade Hereford bull. Saddle horses are easily handled, so that anyone desiring to keep his saddle horses, those could very easily be brought back. On account of the very attractive price, I take it that the percentage of those who would desire to hold their cattle would not be very large. However, it would be immaterial, so far as I am concerned, if all of the owners should elect to take in return 105 cows delivered on American soil in place of the 100 now on Mexican soil.

The whole difficulty in this matter is the financing, and the above proposition is made with the understanding that the Livestock & Agricultural Loan Co. will accept as payment and give credit to the Caja de Prestamos the amount of the total purchase, which would approximate \$1,000,500, and accept in payment 6 per cent three-year Caja de Prestamos bonds, guaranteed by the Mexican Government, principal and interest payable in gold coin at New York. If it is desired to have the undersigned market these bonds an additional expense to the cattle owners will be involved.

In this connection I may state that the national elections in Mexico occur next July. The campaign is now on. I do not believe that any organized revolution, or anything approaching it, will occur; yet it is very possible that there may be some local furries in different States, such as is evidenced now in the State of Potosi, and during times of excitement it is not always possible for the Government to entirely control the activities of small bands of lawless elements, and it may happen that such small lawless bands might indulge in some activities which possibly might, to some extent, affect the security of the cattle now located in Mexican territory. I do not say that this will occur. I hope it will not.

Very truly yours,

H. O. BURSUM.

#### RETIREMENT OF CIVIL-SERVICE EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof.

Mr. HEFLIN. Mr. President, I rise at this time for the purpose of saying something about the resolution which I have introduced.

Mr. STANFIELD. Mr. President, a parliamentary inquiry. The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. STANFIELD. Under the unanimous-consent agreement, did not the Senate take up Senate bill 3011 at 1 o'clock?

The PRESIDING OFFICER. That bill is now before the Senate.

Mr. HEFLIN. I have no desire to disturb the progress of that bill. I am in hearty sympathy with the Senator in trying to pass the bill and I will wait until that measure is disposed of in order to discuss the question I desire to bring before the Senate. The Senator from Oregon may proceed with his bill, and let us see if we can not dispose of it in a little while.

The PRESIDING OFFICER. The clerk will state the next committee amendment passed over.

The READING CLERK. On page 2, line 2, strike out "sixty" and insert "sixty-three."

Mr. DIAL. Mr. President, since I have been in the Senate I have consistently opposed pensions and bonuses to able-bodied soldiers. This bill is somewhat along the same line. I can conceive of but two theories upon which the bill is based. One is that the Government underpays its employees and that therefore when they reach a certain age the Government should pay them an annuity.

I think that proposition is unsound. In the first place, when individuals apply to the Government for a position they know the compensation they will receive. They are at liberty at any time they see proper to discontinue their service. Further more there are many other people who would like to have their places. Hence, there is no scarcity of would-be employees. I believe the record shows in many of those cases that there are a large number of applicants for any vacancy that might occur. Hence I do not think that compensation under the bill can be based upon the theory that the Government underpays its employees.

It is true that the compensation is not very large, but at the same time I am satisfied that it is adequate and that it is equal to the compensation they could obtain through employment in civil life. I am perfectly willing for the Government to pay its employees something more than they could earn in private employment, but I do not believe that it is right for it to fix a standard away beyond the reach of business to attain. Hours of Government employees are not onerous. So, Mr. President, I do not think a claim may properly be based upon that theory.

The other theory, and I take it the correct one, would be appreciation on the part of the Government for faithful services which had been performed by its employees. I believe that would be right. No one, perhaps, will object to the Government paying all of the retirement compensation for its employees after those employees shall have reached a certain age when they can no longer comfortably work or when they shall be incapacitated by reason of illness, but the age proposed to be fixed in the pending bill is entirely too low. I do not believe it would be just to the employee to say that he must retire at certain age. I heard it stated here the other day that after the employee attained a certain age he was automatically incapacitated for the performance of the duties of his office. I think that is a misrepresentation, and that it is not fair to the employee.

Mr. President, we have the divine injunction that we should work, and I believe that about as great a punishment as could be imposed upon some persons would be to deprive them



of the opportunity to work. It is better for men and women themselves to be employed. I care not how rich people may be, they should be employed in useful occupations. If people are without means, they should be encouraged and aided and helped by giving them employment.

Mr. COPELAND. Mr. President, will the Senator from South Carolina yield to me?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from New York?

Mr. DIAL. Yes; I yield with pleasure.

Mr. COPELAND. Mr. President, I do not understand that because the employee shall have reached a certain age, as provided in lines 3 and 6, on page 2 of the pending bill, he must necessarily retire. As a matter of fact, the bill provides in the proviso beginning in line 11, on page 2, that the retirement "shall be at the option of the employee," and nothing contained in this proposed act provides for the automatic retirement of the eligibles for retirement.

I agree with the Senator from South Carolina that everybody should work, and nearly everybody wants to work, but I think the Senator is under a misapprehension, if I properly understand the bill.

Mr. DIAL. I admit that retirement is not compulsory under the particular language which the Senator from New York has quoted, but the general provision of the law is that employees are compelled to be retired at 70 years of age. The ages 60 and 55 years fixed in the bill for retirement are too low.

Mr. COPELAND. Yes; that is true.

Mr. DIAL. A few years ago an employee who was automatically retired from the public service appealed to me to try to get him restored. He did not wish to retire; he said he was miserable; that he was not willing to accept the small compensation allowed him under the retirement law and to quit work. He was one of the most competent men I have ever known in the Postal Service, but the Government refused to allow him to continue to work. Let us act and treat all like men.

Mr. President, when a Government employee retires, either voluntarily or involuntarily, that employee, perhaps, may go around and seek employment and secure a position that some other person who has no annuity would like to have. Therefore I do not know that in passing retirement legislation we shall be just to the other man who may want the place.

Not only that, but if we go ahead and grant a high rate of retired pay to employees who retire, either voluntarily or involuntarily, the other workers and the taxpayers of the United States will feel that they have not received fair treatment. When they see going around a man who is in robust health and is comparatively young and yet is drawing a handsome stipend, while they are paying taxes and have to struggle hard in order to make ends meet, those people will feel that the Government has not been just to them. Therefore we shall sow the seeds of discord and dissatisfaction among our people. There is no retirement age for the taxpayer. We should not build up a privileged class in the United States.

I have noticed that private companies, such as the General Electric Co., the Pennsylvania Railroad Co., the Westinghouse Co., and others, assist their employees to retire when they attain the age of 70 years and after they have been in the employment of those companies for a certain length of time.

The impression has gone abroad that all the money in the retirement fund is derived from the salaries of employees; that it is deducted from their salaries; but that impression has already been explained to be a mistake. The statement was made to me that the employees had a right to receive this compensation because it belonged to them, but we now understand that in a few years the Government will be contributing, I believe, something over half the amount which will be necessary in order to retire the employees. I think it would be well for the employees to have some kind of insurance, and, if they care to make provision for that out of their compensation as they go along, they should be encouraged and the Government should help them in that respect.

What I am complaining about is the proposition to make it possible for Government employees to retire, either voluntarily or involuntarily, at the ages which are fixed in the pending measure, 58 and 63 years. I do not think it would be right; I do not think it would be fair to the employee, nor would it be fair to the working public; neither would it be fair to the taxpayers of the country.

I wish to warn the Senate that the people all over the country are bitterly complaining of the high cost of government. We want to encourage prosperity; we want to encourage industry; we want everybody to prosper. What I should like to see, not

only as to Government employment but as to employment generally throughout the country, would be fewer employees, allowing them to accomplish their work better, and better compensation for them all. So as this bill stands, Mr. President, I am sorry I can not support it.

Mr. COPELAND. Mr. President, as I understand the action of the committee as now proposed in line 3, on page 2, it is to fix the age limit at 65 years. Is that correct?

Mr. STANFIELD. That is the amendment which has been agreed upon.

Mr. COPELAND. And in line 6 to fix the age at 62 years?

Mr. DALE. Mr. President, let me get that clearly in mind. Does the Senator from New York mean to state that the committee has agreed to fix the age limit in that case at 62?

Mr. COPELAND. I may say, Mr. President, that the Senator from New York has had great difficulty in finding out what the committee has agreed on. I have seen no evidence so far that it has agreed on anything.

Mr. DALE. That is what I should like to say—that the committee have not agreed upon anything.

The PRESIDING OFFICER. The pending amendment, the Chair will state, is to strike out "60" and insert "63."

Mr. STANFIELD. Mr. President, if the Senator will yield to me, I think I can explain the situation.

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Oregon?

Mr. COPELAND. I yield to the Senator from Oregon.

Mr. STANFIELD. The bill as now printed—

Mr. SMOOT. Mr. President, if the Senator from Oregon will permit me to interrupt him for a moment, I suggest that the Senator from New York yield in order that the Senator from Oregon may make a statement as to just what the amendments are which it has been agreed he will propose to the bill.

Mr. COPELAND. I shall be very happy to do so, and I know that the Senate will be very glad to hear that there has been an agreement. There has been a suspicion on the part of the Senate that the committee has been in serious disagreement. So if the chairman of the committee can make a statement which will make clear to the Senate that there is an agreement, for my part, I will be very happy to listen to it, and I will yield the floor to the Senator from Oregon for that purpose.

Mr. STANFIELD. Mr. President—

The PRESIDING OFFICER. The Senator from Oregon.

Mr. STANFIELD. At the last meeting of the Civil Service Committee they did approve an amendment making the age 63, where the original bill fixed the age at 60 and an amendment substituting "fifty-eight" for "fifty-five." Then it was suggested that it would be well to fix the same age covering all employees and making that age 63. To this the committee did not agree, but the chairman of the committee and the Senator from Utah [Mr. SMOOT], thinking it would expedite the legislation, agreed that so far as the chairman was concerned he would not oppose an amendment fixing the age at 63. Later we worked out a better compromise, one that seemed more favorable to all, proposing to fix the ages at 65 and 62, the latter covering the mechanics, laborers, post-office clerks, railway postal clerks, and others in active laborious employment, while as to those in other Government employment the 65-year limit would apply.

There has not been a meeting of the committee since the chairman had that understanding with those who were opposing the ages fixed in the original committee amendment. The chairman of the committee, however, is not going to oppose but, in fact, is going to offer an amendment upon which the Senator from Utah and he have agreed with the Senator from South Dakota [Mr. STERLING].

Mr. STERLING. In view of what appears in the bill as the committee amendment fixing the ages at 63 and 58, would it not be preferable for the chairman of the committee to offer an amendment to the committee amendment substituting 65 and 62? The pending amendment is the committee amendment as it appears in the bill, but if the chairman will offer an amendment to the amendment, I think it would be proper and would make everything clear.

Mr. STANFIELD. That is exactly what the chairman of the committee proposes to do, but the Senator from New York wanted an explanation as to the position of the committee on these amendments.

I am not going to say that there is discord or disagreement among the members of the committee as to this amendment. I am simply stating that there has not been a meeting of the Civil Service Committee to consider the amendment, and the committee have not agreed to the amendment which the chairman is going to propose. I am going to propose the amend-



ment in the interest of harmony, believing that it is the best thing to do at this time, in order to expedite the passage of this bill.

We are now in the closing days of this session of Congress. The House has not yet acted on this bill. I have been assured by House Members that if the Senate shall pass this bill the House will immediately act upon it; but if the Senate delays longer there will not be time for the House to act upon it, and there will be no civil service retirement legislation during the present session of Congress. This is a measure of such momentous importance—it means so much to present annuitants who have been retired on a pension that is wholly inadequate and which does not permit a proper living or one that is in keeping with American standards—that I think it would be a very great mistake if we were to jeopardize the enactment of the pending measure. It is for that reason that the chairman of the committee has agreed with those opposing the age limits as originally proposed to offer the amendment which, when the proper time comes, I propose to offer.

Mr. RANDELL. Mr. President, as one member of the committee I wish to say that I am in accord with the views expressed by the chairman. I think it is imperative that we should get this bill through at this session of Congress and get it passed in the very best form we can. It perhaps is not satisfactory to all of us, but it is certainly a great deal better than to have this most important measure go over for another 12 months.

It seems as though this is the only practical way in which we can get the bill passed, and I sincerely hope that it will be passed. If inequalities result, let me say that another Congress may correct those inequalities. It will be a very decided step forward, and as a member of the committee I am in hearty accord with it, and I do not believe that there is any real discord in the committee.

Mr. BRUCE. Mr. President, I have no special familiarity with the provisions of this bill; but I am in sympathy with the principle which underlies it, and I am so much so, and have so long been so, that I should feel that I was just a little unfaithful to my strongest convictions if I did not say so.

All my life I have been an advocate of the merit system of appointment and all the legislative sequels that naturally flow from it. When I was a mere boy I picked up a newspaper one day and saw that one of the politicians of that time, the late Jay Hubbell of Michigan, was proceeding to levy a political assessment on the charwomen in the departments of the Federal Government. My indignation was so intensely aroused that from that day to this I have been not simply an earnest but an enthusiastic and uncompromising adherent of the merit system of appointment and all that appertains to its wise and beneficent character.

For many years, in the State in which I live (Maryland), a voice raised in behalf of the application of that system to appointments in the civil service of the State of Maryland and of the city of Baltimore, respectively, was as the voice of one vainly crying aloud in the wilderness; and I flatter myself that I might have been a Member of this body long before I became so but for the fact that I was one of those who vainly contended for many years for the complete substitution of the merit system of appointment for the old spoils system of appointment in the province of the Maryland State government and in the province of the city of Baltimore.

We waged that fight in Maryland for I do not know how many years—35, perhaps 40 years. For a long time we seemed to be waging it ineffectually; but I thank God—because I can not use terms too strong to express my feelings—that I have lived long enough not only to see the merit system of appointment applied to the great mass of subordinate offices under the National Government, but also to practically all the subordinate offices in the State of Maryland and the city of Baltimore. In other words, instead of the old body of personal and political dependents which got its precarious crust of bread from political favoritism and influence, I have survived long enough to see the great mass of public servants in the cities and the States of the country, and in the sphere of the National Government owing their appointment to and their retention in office to nothing but their own personal worth, moral and intellectual; and as my friend from South Dakota [Mr. STERLING] knows, the retirement system is but the crown, the capstone, of the merit system of appointment. When you select the subordinate officeholder for his merit, and retain him for his merit, and give him an opportunity, unmolested and unafraid, to do the full measure of his duty to the Government, it is only fair for the Government to help

him to make a provision for his old age; and anything that the Government may give toward this object it will get back many times. This provision, like the improved conditions under which the appointee receives his appointment, will tend to build up a true office spirit, a real office morale which, after all, is the thing upon which the full success of any public office most largely depends. It will tend to make the appointee not only satisfied with his position but proud of it. It will assist to make it a badge of honor to serve the Government in any position, high or low. In other words, this provision, too, tends to create a great corps of conscientious, self-respecting, and useful public servants. And surely it can not be gravely argued that the ages fixed by this bill for voluntary retirement are too low. The proposed ages, as I understand it, will be 65 and 62—62 for servants of the Government who are engaged in very active occupations, and 65 for those who are engaged in occupations of a more sedentary and less exacting character so far as physical strength is concerned.

We all know that for ages 63 has been known as the grand climacteric of human existence. Just why it should be called such I do not know, but I do know that it has always been considered to be a sufficiently advanced age to warrant that term—the grand climacteric. Therefore, it is eminently proper that when some mechanic or artisan or some other individual along the lower levels of Federal appointment reaches the age of 62, just one year less than 63, he should have the privilege of retiring, and that when he retires he should find that he is not simply an old cast-off shoe, not merely a helpless individual left to the charity of friends or relations or to a despondent effort to seek employment upon the streets, but a faithful servant of the Government who has himself partly contributed to his sustenance and solace in his old age, and to whose sustenance and solace his Government has also contributed, as it is but right and proper that it should do.

Mr. GEORGE. Mr. President, as a member of the committee I merely wish to make this statement:

I do not think the ages for optional retirement should be placed at 65 and 62. Sixty-two is now the age for the retirement of the railway postal clerks, as I recall; and that age ought to be in justice reduced. I call attention to the fact—I think it is a fact; I have been so informed—that about 8 per cent of the railway postal clerks last year were actually injured in the line of their duty. When a man has served 30 full years as a railway postal clerk and has reached the age of 60 he is much more entitled to an optional retirement than the average clerk, stored away in a perfectly safe place, working under perfectly comfortable and safe conditions.

I desire to go on record as favoring 63 and 60 as the proper ages under the optional retirement provision of this bill. There will not be very many employees of the Government to retire at 63 if they be clerks, or 60 if they be postal railway clerks or men engaged in other like lines of business. When men have worked for 30 full years, and have thus established the habits of a lifetime for work under the regular requirements of the civil service they are not likely voluntarily to become idlers.

It is contrary to all human experience. If they do wish to retire, it is very certain proof that they are not longer able to render efficient service; and the very object of a retirement act from the standpoint of the employer is to permit his employees, when no longer able to render efficient service, in the interest of economy to separate themselves from the service. That is to say, that is the object of the act from the selfish standpoint of the employer.

Of course I am not speaking about the principles of humanity involved in this bill, nor the principles of wisdom involved in it; but if you find many men and many women in the civil service taking advantage of the optional retirement provision of this bill you will find positive proof that those men and those women, in nearly every instance, recognize themselves that for some reason they are not longer able to render the same standard and measure of service that they have been rendering during the 30-year period.

The truth is that those who are efficient, those who are capable of doing good work, do not want to retire. The truth is that they do not take advantage of the optional retirement period fixed in the present law, and the truth is that not many of them will under the law as we may amend it; but if they do, and if they should, it is the highest possible degree of proof that in the interest of economy to the Government they should be permitted to retire.

If a man, having served 30 years and having reached the age of 63 years, wants to be retired badly enough to accept less than \$1,200 or not more than \$1,200 in lieu of a possible income of \$2,000 per year from his regular work, I would



demand no higher proof of the fact that in the interest of economy to the Government that man ought to be allowed to retire.

Mr. STANFIELD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Oregon?

Mr. GEORGE. Yes; I yield.

Mr. STANFIELD. Just at that point I should like to call the Senator's attention to a statement that the actuary has just made to me of the cost to the Government of this bill when applied to increased salaries. Taking it from the lowest salary, the salary of the charwoman, \$360 a year, to the salary of \$1,800, it would mean only \$7.50 a year to \$38 a year increase in salary to cover the total cost to the Government.

Mr. GEORGE. I am sure the figures are correct. I am not discussing the question, however, from the standpoint of cost. I am discussing it solely from this point of view: My judgment is—and as a member of the committee I am merely expressing it because I want to go on record as giving my opinion—I do not think the optional retirement age ought to be carried above 63 for clerks and others in like line of service. I do not think the optional retirement age for railway postal clerks and men doing like manual labor should be carried above 60, and I do not believe that any apprehension that there will be a wholesale retirement at the ages of 63 and 60 is at all well founded. I do not believe there is any ground for that apprehension.

Mr. BRUCE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Maryland?

Mr. GEORGE. I yield.

Mr. BRUCE. I would like to ask the Senator whether he has not had this experience: That officeholders in some branches of the Government who have been retired come to him and ask him to do what he could to restore them to the service so that they would not only be in receipt of the same amount of compensation as before but would not be compelled to lead an irksome, inactive life. I have had that experience frequently.

Mr. GEORGE. I have had that experience, and every other Senator, I apprehend, has had the same experience.

Mr. SMITH. Mr. President, may I ask the Senator a question?

Mr. GEORGE. I yield.

Mr. SMITH. Are there not statistics showing the percentage of those who, having the optional retirement privilege, have taken advantage of it? My impression is that some tables have been worked up, in connection with this proposed legislation, which show, as I recall, that less than 2 per cent of those who could avail themselves of the optional privilege have availed themselves of it. As the Senator from Maryland has said, where there is compulsory retirement those subject to it have pleaded for the privilege of staying in active life.

If the Senator will pardon me just here, I do not think we need fear that the Government will be burdened by employees taking advantage of the voluntary retirement in any wholesale numbers.

Mr. GEORGE. I thank the Senator for his statement. I am quite sure that the figures have been prepared, but I have not taken the time to look them up, because as a matter of experience I know that the increase of the annuity from \$720 to a possible maximum of \$1,200 a year will not induce any large number of employees to separate themselves from the service when they reach the optional ages. When they do take advantage of the optional retirement provision of this act there will be in every case, I dare say, the strongest possible reason why they should do so. The danger with all retirement bills is not that we will put the optional retirement age too low but that we will put the compulsory retirement age too high.

Mr. SMOOT. Mr. President, there is one other condition to take into consideration which the Senator has not even mentioned.

Mr. GEORGE. I do not mean to say that I have mentioned all the considerations.

Mr. SMOOT. It is just the reverse of what the Senator has said, and therefore I feel that I ought to call attention to it.

There is a class of people, particularly in the leading positions in the Government service, particularly when they are efficient, who, when they reach the age of only 60 or 62 years, can retire without paying anything further to the Government of the United States, and get a position outside, perhaps drawing just as much salary as they are drawing from the Government. The other reason for not having the figure too low is that men who are efficient in the Government service, perfectly able to work for the Government, ought to be

willing to pay to the Government at least until they are 65 years of age. That is the reason. It is true, on the other hand, that there are some people who would not feel able to carry on their work until they reach the age of 65. But we are trying to take care of those in this bill. I think if the Senator will study this thing very carefully, and will go into the details as to what the practices in the past have been in England, and other foreign countries, as well, he will find that 65 years is not too high an age.

Mr. GEORGE. Mr. President, I understand, of course, that in some of those exceptional cases, where the employee is earning a large income, and where, at the age of 63, he can leave the Government service and draw a maximum of \$1,200 a year, there may be a larger number who will leave than of those who are drawing \$1,800 or \$2,000.

Mr. STANFIELD. Mr. President, will the Senator yield?

Mr. GEORGE. I was just about to conclude.

Mr. STANFIELD. Following the remarks of the Senator from Utah, I happen to have the age of optional retirement for Great Britain, and I find it to be 60 years.

Mr. GEORGE. I was going to call attention to that. I think that even under the Canadian postal law it will be found that the optional retirement is much below 65 or 60, as I have suggested.

I want to conclude with this statement, which is largely a repetition, no doubt, of what I have said, that, so far as the postal railway clerks are concerned, I do not believe we should keep them at the age at which they are now permitted to retire. They are now permitted to retire at 62. I think they should be permitted to retire at 60, after having served 30 years. The danger with all retirement legislation, I wish to repeat, is this, that out of our humanity, our regard for those men and women who have reached an advanced age, we do not compel retirement quite as early as we should compel it. The impulse that sways us to retain in the service men and women of advanced ages of course is quite worthy, it is quite natural, it is quite human; but from the standpoint of the employer, and from the standpoint of a real and intelligent humanity, I have no doubt that the error in all such legislation is in permitting men and women to remain in the service beyond the time when they really ought to be compelled to go out. They can never be compelled to go out unless we have provided at least an adequate annuity for them when they are retired.

Mr. BRUCE. Mr. President, I would like to ask the Senator from Georgia at what age judges are retired in Georgia, if they are retired at any age at all? In the State of Maryland they are retired at 70 years of age.

Mr. GEORGE. There is no retirement law in Georgia.

Mr. BRUCE. I thought that might furnish some analogy for a sedentary occupation.

Mr. DALE. Mr. President, I want to indorse most enthusiastically what the Senator from Georgia [Mr. GEORGE] has said, especially as it relates to the men in the Railway Postal Service. Under the existing law all employees are compelled to retire at prescribed ages. Those ages are fixed at three graduations. One group of employees is retired at 70 years of age, another group at 65 years of age, and another group at 62 years of age. In this latter group are the men in the railway postal service. The reason for putting these men in a group by themselves at this younger age is well known to be the tiresome, hazardous, exacting nature of the duties of those men. That fact is clearly understood, and the distinction was forcibly written into the law at the time the law was passed.

The pending bill carries a section with a particular purpose in it, and that purpose is to lower these graduations for voluntary retirement, so that men of their own volition may retire at a lower age than the age at which the law compels them to retire.

The committee made two groups for voluntary retirement out of these groups included in the compulsory provisions of the present law. The committee recommended that those in the 70-year grade for compulsory retirement be made eligible for voluntary retirement at 63 years of age, and those in the 65 and 62-year grades for compulsory retirement be made eligible for voluntary retirement at 58 years of age. That recommendation as applied to the railway postal service would be equitable; it would give that group voluntary retirement at an age four years younger than that at which they are compelled to retire. This would preserve the just and the reasonable proportion, as it relates to the two principles of compulsory and voluntary retirement.

Under the proposed amendment raising the ages of voluntary retirement from those recommended by the committee an unjust and an unreasonable distinction is made, wholly against



the men in the railway postal service. Employees in that service are subject to compulsory retirement under the existing law at 62 years of age, and if the amendment proposed here is agreed to, under which they are made eligible for voluntary retirement only when they have reached the age of 62 years, the railway postal service group will clearly be given no relief whatever as contemplated they should be given in the voluntary provisions of this bill.

Of all the employees in the Government service the men in the railway postal group are the very last against which this discrimination should be made. They are away from home through long periods of time, during which they are compelled to bolt their food cold, and as chance permits; to catch their rest at irregular times, often in uncomfortable if not perilous positions. They ride continuously the jolting floor of crowded, dusty, smoky cars until the physical ills which are inevitably induced by their unnatural environment compel them to lay off. They are confined in a car which is put ahead in the make-up of the train, and when they go into accidents they go into them shut into this car, where the impending peril is concealed from them. They are constantly trailed by calamity, by which they are almost sure some time to be overtaken.

The Senator from Georgia referred to the percentage of these men who were injured and killed in the last year. Sixteen hundred of them went into wrecks and suffered accidents, and the average time of recovery for those men who were injured was three months. I know somewhat of their service. I myself was in a service for 13 years where they were under my observation, and I know full well that when they come into a wreck the death trap is the mail car.

Knowing these men as I do, the very soldiers in the front line of the battle for existence, I would not fix any age for them at all. If they can endure these conditions for 30 years, as the bill provides, after they have endured them for 30 years I would let them retire on the small pittance of the retirement fund, if they wanted to, without any further age limit.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, debate is limited to five minutes on the bill and amendments.

Mr. DALE. Does that allow me to proceed further?

The PRESIDING OFFICER. The Senator has five minutes on the bill and five minutes on the pending amendment.

Mr. DALE. I have practically concluded.

By all means, Senators, if we are going to differentiate in these ages let us not differentiate against the men in the Postal Service and make them the only group, as the amendment does, without any option of voluntary retirement whatever. At least give them 2 years of option after they have served 30 years, and at least after 30 years of such service let a man, if he wishes to do so, retire at 60 years of age.

Mr. COPELAND. Mr. President, I understand I have five minutes on the bill and five minutes on the amendment?

The PRESIDING OFFICER. The Senator has.

Mr. COPELAND. I have been surprised that the committee brought in an amendment elevating the age to 65 years.

Mr. STANFIELD. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Oregon?

Mr. COPELAND. I yield.

Mr. STANFIELD. May I explain again that that is not a committee amendment. That is an amendment which the chairman of the committee intends to propose.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. I yield, but I do not want it counted against my time.

The PRESIDING OFFICER. It does count against the Senator's time.

Mr. SMOOT. That statement has been made by the chairman of the committee twice. I want to know if the chairman of the committee is not in favor of the amendment?

Mr. STANFIELD. Because of my agreement with the Senator from Utah, I shall support the amendment.

The PRESIDING OFFICER. The Chair calls the attention of the Senator from New York to the fact that the time occupied by the colloquy is charged against his time.

Mr. COPELAND. I can not yield further for any colloquy.

The PRESIDING OFFICER. The Senator from New York declines to yield further.

Mr. COPELAND. Mr. President, whether this is a committee amendment or the amendment of the chairman of the committee or the amendment of the Senator from Utah, I think the age is too high. I had supposed from the title of the bill that it was a retirement bill, and not a death benefit.

We have done very well in this country in extending the span of life. I suppose I am the only physician in the United States who has his own cemetery. On my farm is an old-fashioned neighborhood graveyard, where, in the language of the natives, there are 40 "head" buried. With two exceptions, everybody buried in my cemetery died under the age of 50.

The popular idea is that people lived to a ripe age in the olden times because Methuselah lived to be 969 years old. As a matter of fact, in the old days, they did not live long; it only seemed long. They used to go in the house in the fall as soon as it got cold and stick rags around the windows to keep the air out. They nailed the doors shut and did not take a bath until the ice went out of the river in the spring. So they died young.

Mr. BRUCE. What about the signers of the Declaration of Independence?

Mr. COPELAND. I do not doubt that the Senator from Maryland, who is well informed on all matters relating to the colonial period, will be able to tell us exactly about that. Not everybody had the privilege of signing the Declaration of Independence, and the signers represented the survival of the fittest, physically as well as mentally. Fifty years ago the average duration of life in this country was only 42 years, while now it is 53 years. The expectation of life of a man who goes into public service at 20 is not such as to make it probable he will reach the age proposed in the bill. I do not think it is right that we should simply provide a death benefit. We want a retirement benefit. For those persons particularly who are named—the mechanics and laborers, the city and rural letter carriers, and post-office clerks and railway postal clerks, the age of retirement, in my judgment, ought to be materially less than 62 years. If it were put as low as 58 years, which was the original proposal of the committee, it would be better.

Every person who goes into public service, or the average person at least, goes in at an outrageously low salary. Government employees are notoriously underpaid.

I like the provision of the bill which says that the retirement must come after a given number of years of service. In one of the executive departments in New York, over which I presided for a number of years, we had a retirement system where the age of retirement was not fixed, but where after 20 years of service an employee could retire. That was wrong, in my opinion, because too many of them retired under 40 years of age, when they were in the very prime of life, and when they could continue for years to render the highest sort of service to the State. The city was the loser by the arrangement. But here we are guarding against that condition by requiring 30 years of service.

In my judgment we should make the retirement ages 63 and 58, or materially lower than suggested by the committee. We should do this if we are really serious in our desire to give the employees an opportunity to retire and to have some years of opportunity late in life for the enjoyment of the leisurely pursuits of that period.

I want to put myself on record as being in opposition to the amendment suggested by the chairman of the committee.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. SMOOT. Mr. President, the Senator from Vermont [Mr. DALE] has made a statement that has reference only to railway postal clerks. The provision in the existing law and as proposed in the bill is for mechanics, laborers, city and rural carriers, and post-office clerks.

Mr. CARAWAY. That does not include railway mail clerks.

Mr. SMOOT. I mean in addition to railway mail clerks. It is true that the existing law provides for retirement at 62 years of age, just as it is provided now in the amendment that will be offered by the chairman of the committee.

I do not know what the experience of other Senators has been, but the basis of the complaints of letters that I have received is that the ages were too low, and they did not want to be separated from the service at the ages provided by existing law. The next complaint is that the annuity of \$720 a year under existing law is too small an amount and that they can not live on it, and that is true.

Mr. DALE. Mr. President, will the Senator yield for a question?

Mr. SMOOT. I have only a very few minutes.

Mr. DALE. The letters to which the Senator refers do not apply to voluntary retirement.

Mr. SMOOT. Let me finish my statement, if the Senator will. I have only a few minutes.

The other class of complaints is from a class that not only want retirement at a later age than provided under the exist-



ing law, particularly employees here in the District of Columbia, but they want an increase in annuity, and nobody is objecting to that. I asked a lady only the other day when she came to my office what she really wanted. The answer was an increase in pay, an increase in age, and an increase in annuity. She stated she could not live on the amount of salary she was getting. I asked what she was getting and she said \$1,800 a year. She said she could get more than that at home. I said, "Why not go home and get the larger salary?" The answer came quickly that she would rather live on water and bread in the District of Columbia than go home and work there for \$1,800.

That is only one case. I do not charge that that is the sentiment of the great mass of employees. I want to say that the most of the letters I received and the only people who call upon me are those who want to retain their present positions. I take for granted that every Senator and Congressman has the same experience. Every time we make a reduction in the number of employees in the District, or anywhere else for that matter, I know that if there are any employees from my State who are dropped in the reduction I am immediately appealed to to see that they are retained in their positions.

I want it distinctly understood, as I have said before, that I want the employees of the Government paid the best salaries that are paid by any organization in the country or any government on earth. On the other hand, I expect to ask of the employees of the Government to give the best service that is in them. I think that is fair. Anything short of it is not. I think they ought to be housed in the best buildings that it is possible to erect. I feel very proud when I go to the Bureau of Engraving and Printing and see the men and women working there under the best conditions existing in any building for the purpose used in the world.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. STERLING. Mr. President, for the first time the Senate has before it a bill providing for voluntary or optional retirement. At the time of the passage of the original retirement act I hardly think the question of voluntary or optional retirement at any age or after any period of service was thought of at all. The matter has been agitated, of course, since, and within the last year or two to a considerable extent. One proposition strongly urged was that after an employee had served 30 years, regardless of age, he should have the privilege of retiring. But as against that was the argument, and I think it was well founded, that an employee who had entered the service at perhaps 20 years of age and at the age of 50 had served 30 years would have the right of retirement just at that period when he was able to render the Government the very best of service. That was the objection.

Finally a bill was prepared which provided that after 30 years of service and the arrival at a certain age, then the employee should have the right to retire. There was a sharp conflict of opinion, I think, among members of the committee to begin with, and then later between members of the committee or the committee and others interested in the legislation as to what should be the age at which a person might be allowed to retire after 30 years of service. Sixty years was first fixed and written in the bill; then 63 was agreed upon in the committee—63 years for employees generally and 58 years for other employees, including mechanics, laborers, city and rural carriers, and railway postal clerks.

I hope Senators will appreciate some of the difficulties, and will remember also that in fixing the age of voluntary retirement at 65, as now proposed by the chairman of the committee, we give the employee the benefit of five years of service, because the age at which he would involuntarily retire is 70 years under the present law.

It is true, Mr. President, the railway postal clerks have no differential at all in their favor; they may be required to retire at 62 years of age under the present law, and they have no option in regard to retirement before that age under the proposition now advanced by the Senator from Oregon [Mr. STANFIELD], the chairman of the committee.

Mr. SMOOT. Mr. President, will the Senator from South Dakota yield to me?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Utah?

Mr. STERLING. Yes.

Mr. SMOOT. I wish to suggest that the age of retirement for the railway postal group of employees is 65 years and of all the others it is 70 years.

Mr. STERLING. I wish to say merely a few words further. We are apt to think of the bill now under discussion, at least it would so appear from the discussion thus far, that the volun-

tary retirement provision is the main and principal feature of the bill. I may say that it is rather an incident. The main feature of the bill is the increase in the annuities to be paid all employees on retirement. The other day I saw the representative of the railway postal clerks here; he is an admirable man, and I think a great deal of him; and while he expressed regret that those who had been conferring over the bill had not made a differential in favor of the railway postal clerks, he wanted the bill to pass even with this agreement, because of the other benefits that would accrue to the railway postal clerks from the bill in the way of an increase of annuities.

Mr. DALE. Mr. President, will the Senator from South Dakota yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Vermont?

Mr. STERLING. Yes; I yield.

Mr. DALE. Do I understand the Senator from South Dakota to assent to the proposition that employees in the railway postal service are now retired at the age of 65 years?

Mr. STERLING. Oh, no; I did not assent to any such proposition. The railway postal clerks are now retired at 62 years of age.

Mr. DALE. Sixty-two years in their case is the age of compulsory retirement?

Mr. STERLING. Yes; the age of 62 is the time of their compulsory retirement.

#### APPROPRIATIONS FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives receding from its disagreement to the amendment of the Senate No. 21 to the bill (H. R. 12033) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1926, and for other purposes, and concurring therein; and insisting upon its disagreement to the amendments of the Senate Nos. 1, 28, and 46.

Mr. PHIPPS. Mr. President, I move that the Senate insist upon its amendments in disagreement, ask for a further conference with the House of Representatives on those amendments, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The Senator from Colorado moves that the Senate insist upon its amendments still in disagreement, ask for a further conference with the House, and that the Chair appoint the conferees on the part of the Senate. The question is on that motion.

Mr. KING. Mr. President, I wish to ask the Senator from Colorado as to the points of disagreement which remain undetermined and the point upon which the House conferees receded.

Mr. PHIPPS. The House conferees practically agreed to the Senate amendments, with the exception of about four, one of which they had to take back to the other body, but to which they have since agreed. That narrows down to three the items in dispute. The first relates to the amount of the lump-sum appropriation for the Federal contribution to the expenses of the District of Columbia, the House of Representatives offering to appropriate \$9,000,000 and the Senate providing for \$11,000,000 as the Federal contribution.

There is also in disagreement the last amendment in the bill, the Senate having stricken out the House provision instructing the Budget officer to prepare the bill for the fiscal year 1927 based upon a \$9,000,000 contribution by the Federal Government.

The remaining item in disagreement is one relating to the police court, which, as I understand, can now be cared for, inasmuch as the other House has passed the traffic bill as passed by the Senate with minor amendments. I believe the committee of conference on the part of the Senate would be justified in practically accepting the House provision, with, perhaps, some modifications to bring it into conformity with the traffic bill, which has now been practically agreed upon by both Houses.

Mr. KING. Mr. President, as I understand the Senator from Colorado, the House is still insisting upon the \$9,000,000 contribution on the part of the Federal Government for the maintenance of the District government and the Senate conferees are still insisting upon an \$11,000,000 contribution?

Mr. PHIPPS. That is correct.

Mr. KING. If so, I should like to move that the Senate conferees be instructed to recede.

Mr. PHIPPS. Mr. President, I wish to say that on that particular item the conferees representing the House came to us with positive instructions not to recede on the House fig-



ures; in other words, they were not at liberty to confer fully and freely with the representatives of the Senate. Now, we are asking for another conference. If that request shall be granted and the House of Representatives appoints conferees, the representatives on the part of the Senate may meet with them and determine what their attitude is, whether they are prepared to confer freely or whether they are not.

Mr. McKELLAR. If there is that sort of position, why not merely leave out entirely the provision for the contribution?

Mr. PHIPPS. As the Senator from Tennessee will see, it is necessary for the Federal Government to make some contribution in this case. The bill as passed by the Senate carries, in round figures, \$32,000,000. In addition to that, there are \$3,500,000 coming through by way of deficiency estimates as against the bill of last year of about \$29,000,000, including deficiency estimates.

Mr. KING. Mr. President, do I understand the Senator from Colorado that, notwithstanding the positive prohibition of the statute against creating deficiencies, the District officials have created deficiencies during the year to the extent of more than \$3,000,000?

Mr. PHIPPS. Oh, no; I am very sorry if I conveyed any such impression. The majority of the items and the great bulk of the amounts are in the form of supplemental estimates, which are usually provided for in the last deficiency bill which is passed by the Congress. I have not yet had an opportunity to examine those items, so I am not prepared to discuss them with the Senator from Utah.

Mr. KING. Mr. President, speaking for myself—and I feel quite sure that many other Senators take the same view—I think that the Senate should recede with respect to the item of \$11,000,000. I think that the contribution by the Federal Government of \$9,000,000 toward the maintenance and expenses of this municipality is a very generous contribution. I should be glad to see the Senate conferees yield, and I hope that the House conferees will insist upon adhering to the position of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado [Mr. Phipps].

The motion was agreed to; and Mr. Phipps, Mr. Jones of Washington, Mr. Ball, Mr. Glass, and Mr. Sheppard were appointed conferees on the part of the Senate.

Mr. FLETCHER. Mr. President, I understand this is a further conference, and I presume that the same conferees as had the matter in hand before will be appointed.

The PRESIDING OFFICER. The same conferees have been appointed.

#### RETIREMENT OF CIVIL-SERVICE EMPLOYEES

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3011) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof.

Mr. BRUCE. Mr. President, I merely wish to second what the senior Senator from Utah [Mr. Smoot] has said. I think it would be a mistake to fix the age of voluntary retirement for employees of the Government engaged in some active or bustling employment as low as 58 years; indeed, judging by my own age and my own measure of strength, which perhaps is not a fair criterion, I really think that a man ought to be ashamed to ask to be retired at such an age as 58. He is too young, he is too vigorous, he has too good an expectancy of life. It is true, as the Senator from New York has said, that the average duration of life is only 53 years, but the average duration of life is as low as that, of course, because of the very great mortality that attends infancy. We all know that, and every insurance man knows that when an individual attains the age of 50 his chances of persisting are very good indeed. So I do not think that any self-respecting subordinate of the Government engaged in some active employment under it should be willing to ask that he be voluntarily retired at 58; nor do I think that the hazards to which the railway postal employees are exposed, of which the Senator from Vermont [Mr. Dale] has spoken, ought to disturb the conclusion that I reach in that respect. The railway postal clerk, after all, is not exposed to any greater hazards than—in fact, not to such great hazards as the locomotive engineer or the locomotive fireman, and if he is to be allowed any enhanced—

Mr. DALE. Mr. President, will the Senator yield to me?

Mr. BRUCE. I am sorry, but my time is so limited that I am afraid I will not be able to cover the ground which I have in mind if I should yield. If the special risks to which the railway postal clerk is exposed are to be taken into account, then

that condition should be made up to him in increased compensation rather than in an acceleration of the age of retirement.

When it comes to the minimum age for other employees, it seems to me that nobody engaged in any sedentary or reflective, if I may use such an expression, occupation under the National Government should be allowed to retire before 65.

The man engaged in such an occupation is under no great physical strain. He ought at 65 to have sufficient vital resources to enable him to go along effectively with his quiet work. All that we have to do to realize how useful an individual may be at a much more advanced age than that is to look around the Senate Chamber and note the considerable number of Senators here who are active and capable and useful in the highest degree and yet have passed the age of 65.

Apparently the members of the committee have been just a little influenced in fixing different age limits under this bill by their own relative degrees of physical strength. John Stuart Mill said on one occasion that it was ludicrous to observe how strongly a man's general ideas about women are affected by what he happens to know of his own wife. In the same way it seems to me, forming my opinion from the divergencies of opinion that have developed between members of the committee, that one member of it who was not feeling particularly well on the last day that the pending bill came up in committee must have been disposed to fix the ages of retirement under it at considerably lower levels than some other member of the committee who was feeling particularly well on that day.

The PRESIDING OFFICER. The time of the Senator from Maryland has expired.

Mr. STANFIELD. Mr. President, I propose the amendment, which I send to the desk.

The PRESIDING OFFICER. The Senator from Oregon offers an amendment which the Secretary will state.

The READING CLERK. On page 2, line 2, it is proposed to strike out "sixty-three" and insert "sixty-five"; in other words, in lieu of the age proposed to be fixed by the committee to insert "sixty-five."

Mr. STANFIELD. Mr. President, as I have previously explained, I am not offering this as a committee amendment, but I am offering it as my own amendment, after consulting with those who were opposed to the bill by reason of the age limit recommended on the part of the committee. I have discussed it also individually outside of the committee meeting with a number of the members of the committee, and I think a majority of the committee are of the same opinion as the chairman that it will be expedient to accept this amendment. I hope the amendment may be adopted.

Mr. SMOOT. Mr. President, may I ask the Senator a question?

Mr. STANFIELD. Yes.

Mr. SMOOT. Is it not also true that the representatives of the employees of the Government accepted the limit of 65 years?

Mr. STANFIELD. I will say that a number of the representatives of the Government employees said that they hoped that the amendment would be accepted.

Mr. FLETCHER. Mr. President, I presume it is utterly impossible to pass a bill which will meet every particular case and serve every individual instance. About the only thing we can do is to legislate in a way that will meet the situation as to a majority of the cases.

I am very glad to hear that the employees of the Government have indicated, through their representatives, that they are satisfied with this amendment; and I do not propose to urge any objection to it, further than to say that there are instances where hardships will be worked, I think, in view of the raising of the age limit to 65.

There are some cases, perhaps not a great many—I hope not—that might be illustrated by this instance: A faithful and efficient employee of the Government has been serving 35 years. He is now 59 years of age. He suffers from heart trouble and some other troubles, perhaps. If he were allowed the privilege of retiring in another year, when he will be 60 years of age, he would receive \$1,200 instead of \$720, and that situation would serve his case very justly and properly. If he has to live until he is 65 before he can retire, he may not make the grade, and perhaps he will be in the position that the Senator from New York [Mr. Copeland] has referred to—of receiving death benefits instead of retirement benefits.

There may be a good many instances of that kind, men who probably can not live to be 65 years of age on account of their physical condition, and who would get the benefits provided under this bill if the age were 60 instead of 65. I do not know



that there are many instances of that kind; but, as I say, we can not pass legislation to meet every particular case, and we will have to pass a law that will meet the large majority of the cases.

I wanted to mention that case because I happened to know of it. As I say, very likely there are others. Here is a man who has already served 35 years, and if he has to serve 6 years more he will have served 41 years before he will be able to retire under this bill, and his condition of health now is such that he may not live that long. There may be a number of instances of that kind.

I should like, if we could, to meet situations like that one. I do not know that it is possible, but it is well to keep it in mind.

Mr. BAYARD. Mr. President, I should like to ask the chairman of the committee a question. As I understood him a moment ago, the Senator from Oregon stated that he had consulted with a number of the representatives of the employees, and that they were satisfied with this advance to 65 years. Is that right?

Mr. STANFIELD. That is correct. I am not implying that they were all satisfied, but a majority of those that talked to me were satisfied with this compromise, having in mind that they were more concerned about the passage of the bill and the relief growing out of the increased compensation that it will give them.

Mr. BAYARD. That is just what I wanted to bring out. In other words, they are not really satisfied with the advance to 65 years, but they are satisfied to take 65 years to get the general terms of the bill?

Mr. STANFIELD. The Senator's statement is correct.

Mr. BAYARD. In other words, it is a forced piece of satisfaction on their part. Practically speaking, that is what it is.

Mr. STANFIELD. They realize that almost all legislation is the result of compromise, and as a matter of expediency they are willing to accept this amendment, and most of them have expressed to me the hope that it would be done in order to get the benefits of the increased compensation.

Mr. BAYARD. In other words, it is a compromise to get the bill through?

Mr. STANFIELD. That is correct.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Oregon to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. DALE. Mr. President, I desire to offer the amendment which I send to the desk, which I could not offer until the action that has just been taken by the Senate.

The PRESIDENT pro tempore. The Secretary will state the amendment offered by the Senator from Vermont.

The READING CLERK. On page 2, line 4, it is proposed to strike out "and railway postal clerks"; and on the same page, line 5, after the word "years," it is proposed to insert the following:

and railway postal clerks who shall have attained or shall thereafter attain the age of 60 years.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the Senator from Vermont.

Mr. DALE. Mr. President, I have offered that amendment to meet exactly the class of cases cited by the Senator from Florida [Mr. FLETCHER]—the cases of men in the service whose lives will be imperiled if they are compelled to remain in the service a year or two years longer. The Senator from Florida said that he would like to reach those cases. Here is precisely the opportunity by which he may reach them.

The Senator from Maryland [Mr. BRUCE] made reference to instances of men who might be willing to retire at 60 years of age because of particular physical ailments. These are the men in that class. Any man who is familiar with the service knows—of course, as the Senator said, it does not matter whether he is an engine driver, or is in the Postal Service, or is a conductor, it may be, on a train—that they are all subject at that particular time in life, almost without a single exception, to some special, specific physical ailment. The Senator from New York [Mr. COPELAND] knows that much better than I do; and it is to reach just that class of cases that this amendment is offered.

Mr. SMOOT. Mr. President, the case referred to by the Senator from Florida [Mr. FLETCHER] does not happen to be the case of a railway mail clerk at all. This amendment does not affect that man in any way, shape, or form. It has no

reference to any such case. This amendment simply means that there will be another age of 60 years provided in this bill for the railway postal clerks. The age under existing law is 62 years.

There is no need of saying anything further about the matter, so far as I am concerned. I simply express the hope that the age will remain as it is, 62 years; and I am opposed to the amendment.

Mr. STANFIELD. Mr. President, I hope Senators will not agree to this amendment. I have an amendment which I propose to offer immediately following the action on the amendment proposed by the Senator from Vermont. The amendment that he has proposed does not conform to the agreement that I think we have made in good faith with those who are opposed to the bill, and therefore I hope the amendment will be voted down.

Mr. COPELAND. Mr. President, we have not heard the amendment proposed by the Senator from Utah.

Mr. SMOOT. It was not proposed by the Senator from Utah.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Vermont.

Mr. HEFLIN. May it be stated?

The PRESIDENT pro tempore. The Secretary will restate the amendment.

The READING CLERK. On page 2, line 4, it is proposed to strike out the words "and railway postal clerks"; and on the same page, line 5, after the word "years," it is proposed to insert the following:

and railway postal clerks who shall have attained or shall thereafter attain the age of 60 years.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment offered by the Senator from Vermont.

Mr. DALE. I call for the yeas and nays on the amendment. The yeas and nays were ordered and taken.

Mr. ERNST (after having voted in the affirmative). I have a general pair with my colleague [Mr. STANLEY], which I transfer to the senior Senator from Vermont [Mr. GREENE], and allow my vote to stand.

Mr. McNARY (after having voted in the negative). I transfer my pair with the senior Senator from Mississippi [Mr. HARRISON] to the senior Senator from Illinois [Mr. McCOMICK], and allow my vote to stand.

The result was announced—yeas 34, nays 46, as follows:

#### YEAS—34

Ball	Ernst	Ladd	Shortridge
Bayard	Ferris	Lenroot	Smith
Brookhart	Fess	Mayfield	Stephens
Capper	Fletcher	Neely	Underwood
Copeland	Frazier	Pittman	Walsh, Mass.
Couzens	George	Reed, Pa.	Weller
Dale	Gerry	Sheppard	Wheeler
Dill	Johnson, Minn.	Shields	
Edge	Keyes	Shipstead	

#### NAYS—46

Bingham	Glass	McLean	Simmons
Broussard	Gooding	McNary	Smoot
Bruce	Hale	Metcalf	Spencer
Bursum	Harrell	Moses	Stanfield
Butler	Harris	Oddie	Sterling
Cameron	Heflin	Overman	Swanson
Caraway	Howell	Pepper	Trammell
Cummins	Jones, Wash.	Phipps	Warren
Curtis	Kendrick	Ralston	Watson
Dial	King	Ransdell	Willis
Edwards	McKellar	Reed, Mo.	
Fernald	McKinley	Robinson	

#### NOT VOTING—16

Ashurst	Harrison	McCormick	Owen
Borah	Johnson, Calif.	Means	Stanley
Elkins	Jones, N. Mex.	Norbeck	Wadsworth
Greene	La Follette	Norris	Walsh, Mont.

So the amendment was rejected.

Mr. STANFIELD. I offer the amendment to the committee amendment which I send to the desk.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 2, line 5, of the original print, in lieu of the words proposed to be inserted by the committee, the Senator from Oregon proposes to insert "62," so that it will read "or shall thereafter attain the age of 62 years, and shall have rendered at least 30 years of service," and so forth.

Mr. KING. That is to conform to the other amendment?

Mr. STANFIELD. It is.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment passed over.



The READING CLERK. On page 17, line 4, after the words "United States," the committee proposes to insert the words "or Federal farm-loan bonds."

Mr. STANFIELD. This amendment simply leaves it to the discretion of the Secretary of the Treasury to invest this fund in Federal farm-loan bonds. It is not compulsory or mandatory. If he sees fit, he may purchase farm-loan bonds as an investment for the retirement fund.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STANFIELD. I offer another amendment.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 21, line 19, after the word "Pensions," the Senator from Oregon proposes to insert the words "or the Comptroller General."

The amendment was agreed to.

Mr. STANFIELD. I offer a further amendment.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 21, line 19, the Senator from Oregon proposes to strike out the word "he" and to insert the word "either."

The amendment was agreed to.

Mr. STANFIELD. I send another amendment to the desk, which I desire to offer.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 21, line 15, strike out the words "loss of pay," so that it will read, "reinstatements, and such other information," and so forth.

The amendment was agreed to.

Mr. STANFIELD. I offer another amendment.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The READING CLERK. On page 21, line 17, strike out line 17 and the remainder of the paragraph, and insert:

be deemed necessary, and shall furnish the Commissioner of Pensions, the Comptroller General, and the Board of Actuaries, or either of them, such reports therefrom as they shall from time to time request.

The amendment was agreed to.

The PRESIDENT pro tempore. The bill is still in Committee of the Whole, and open to further amendment.

Mr. JONES of Washington. On page 6, line 4, after the words "Provided, That," I move to strike out the remainder of the paragraph, and to insert the following language:

Whenever a person is appointed, promoted, or transferred from the competitive classified civil service of the United States, subject to the retirement act, to the office of postmaster, he shall hold such office subject to all the provisions and requirements of the civil service act of January 16, 1833, and amendments thereto and without a fixed tenure.

Mr. FLETCHER. Will the Senator please state what that means?

Mr. JONES of Washington. The language which I ask to have inserted simply provides, that when a person is taken from the classified service, a clerk in the post office, for instance, under the civil service, and is made a postmaster, he holds that position under the classified service without a fixed tenure. This would place such a person, promoted in that way, under the civil service. As it is now, as I understand it, if a person is taken from the classified service and made a postmaster, he holds the office for a fixed tenure, for four years. Then he goes out, possibly goes back to his original position under the civil service, or he may go out entirely. This amendment provides that when a person is taken from the classified service and promoted and made a postmaster, he shall continue as a civil-service postmaster.

Mr. STANFIELD. Mr. President, I hope the amendment will be rejected. It has not had the approval of the committee, nor was it the opinion of the committee that fourth-class postmasters should come under the provisions of this bill. The committee amended the bill on page 6, where this amendment is proposed to be inserted, for the very purpose of keeping out fourth-class postmasters. I hope the amendment will be disagreed to.

Mr. SMOOT. Mr. President, I express the hope that the amendment will not be agreed to. It affects only cases where men are taken out of the civil service to accept promotions as postmasters. When a man leaves the classified service, under the existing law, he can demand all that he has paid into the annuity fund, with 4 per cent interest, compounded

annually. He does not lose a single cent. If he does not want to leave the service and get the promotion to postmaster, he need not go out. Why pick out a man who is promoted to the position of postmaster? He is not losing anything. The Government pays back all he has contributed to the annuity fund, with 4 per cent interest compounded annually. I think the adoption of this amendment would be a very unwise thing.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. HEFLIN. Mr. President, the amendment of the Senator from Washington is a dangerous amendment. A great many postmasters do not get their appointments in that way, as the long list of men and women we are dealing with in the Postal Service indicates. Under the amendment men would be appointed to the office of postmaster for a term of 4 years who have not been in the Postal Service, are not in the Postal Service, and never have been before and probably never will be again. The amendment of the Senator from Washington practically makes such a man an officer for life in the Postal Service.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Washington.

The amendment was rejected.

Mr. OVERMAN. Mr. President, I submit an amendment which I have shown to the chairman of the committee, and which I hope he will accept on behalf of the committee.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. Add a new section as follows:

SEC. —. And it is hereby provided that any person who may establish to the satisfaction of the Commissioner of Pensions that such person served the Government as a civil-service employee for more than 32 years after such person was appointed on March 9, 1886, and before such person resigned on August 31, 1919, and that such person resigned on the eve of becoming entitled to retired pay under the act of May 22, 1920, because of physical disability reasonably attributable to the overstrain of war work and extra hours of service required by the War Department, shall be entitled to the same annuity herein provided for in the case of retirement after 30 years' service from a position of the same class in which such person last served: *Provided*, That such annuity shall be subject to similar deductions and offset charges that are required in the case of civil-service employees of restored status.

Mr. SMOOT. Mr. President, this is a general bill, and we can not take up individual cases in it. I would like to do anything in the world for my colleague from North Carolina, but—

Mr. OVERMAN. The woman whose case is covered by the proposed amendment is not a constituent of mine. She is a poor old woman in the city of Washington who has served the Government for 32 long years. During the war she broke down, just a few days before the retirement law went into effect, and she had to get out of the service on the advice of her doctor. There is not another case like it in Washington or in the country.

Mr. SMOOT. Let me suggest to the Senator that this is an increase of salaries bill. Let us introduce a bill to meet her case alone.

Mr. OVERMAN. Will not the Senator let it go to conference?

Mr. SMOOT. We are in hopes that the bill will not have to go to conference. The session is drawing to a close, and we do not want anything in the bill to compel it to be sent to conference and that may require it to be sent back to the House or the Senate. I will support the bill if the Senator will introduce it as a special bill, but let us not get individual cases into this general legislation.

Mr. STANFIELD. I am heartily in sympathy with the proposed amendment; but we have a number of similar cases, and, as the Senator from Utah has said, this is general legislation, so I think it would be a great mistake to load the bill down with amendments applying to individual cases. We hope to bring out a number of bills to take care of cases such as the one referred to in the amendment. I hope the amendment will not be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from North Carolina.

The amendment was rejected.

Mr. McKELLAR. Mr. President, I desire to ask the chairman of the committee a question. On page 7 of the bill there is an amendment which has been offered and which has been adopted. I would like to understand the meaning of the lan-



guage "not exceeding \$1,800" and the striking out of the proviso on page 8. Will the Senator just explain why the change was made?

Mr. STANFIELD. The maximum now is based on 75 per cent of \$1,800, and in order to simplify the language it has been inserted there that it shall be \$1,800, which makes it a positive provision.

Mr. McKELLAR. If the proviso had been left in, "Provided, however, That no employee with less than 25 years' service shall receive more than 75 per cent," and so forth, would not that have had the same effect?

Mr. STANFIELD. No; it would not.

Mr. McKELLAR. Why not?

Mr. STANFIELD. An employee with less than 30 years' service might have received the maximum annuity without this provision.

Mr. McKELLAR. What about the employee who has been there 15 years?

Mr. STANFIELD. That is provided for in section 2 of the bill.

Mr. McKELLAR. I am not absolutely sure about it, but I suppose it can be taken up in conference at any rate.

Mr. STANFIELD. Yes.

Mr. McKELLAR. If we find that it does not mean exactly what the Senator has stated it does mean, we will have the right to take it up in conference.

The PRESIDENT pro tempore. If there are no further amendments to be offered as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### TRAFFIC REGULATIONS AND ADDITIONAL COURT OFFICERS

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 4207) to provide for the regulation of motor-vehicle traffic in the District of Columbia, increase the number of judges in the police court, and for other purposes.

Mr. BALL. Mr. President, perhaps I had better explain the amendments. Amendment No. 1 strikes out "10" and inserts "9" in the provision with reference to court beginning at 9 o'clock in the morning and continuing until late in the evening.

Amendment No. 2 decreases the number of clerks. In the Senate bill we had provided for six and the House has reduced it to two. In the matter of additional bailiffs the Senate bill provided for four and the House has reduced it to two.

Amendment No. 4 is the insertion of a new section 4, which in effect amends the code so as to permit a trial by jury. Under the code whenever the fine is \$50 or imprisonment for 30 days a jury trial may be had. The House has amended that so as to permit a jury trial only where the fine is \$300 or the imprisonment for 60 days. Of course, whenever a person demands a jury trial he gets it.

Amendment No. 5 is merely changing the number of the section.

Amendment No. 7 strikes out "an assistant chief of police, to be known as the," and leaves the language as the Senate originally had it, providing merely for the appointment of a director of traffic.

Amendment No. 8, on page 7, in line 8, after the word "advisable," is to insert "and shall remain in force until revoked by the director with the approval of the commissioners," which is a perfectly proper amendment.

Amendment No. 9 is merely changing the number of the section.

Amendment No. 10 strikes out the word "annually."

Amendment No. 11 strikes out the word "may" and inserts the word "shall," providing that the examination under certain conditions shall be made if they are merely appealing for a second permit.

Amendment No. 12 strikes out "for a period not in excess of one year," as it refers to operators' permits, and inserts "unless written complaint is made and filed with the traffic director; and in all such cases the applicant shall have reasonable opportunity to show that he is a fit person to operate a motor vehicle."

Amendment No. 13 leaves the fee at \$2.

Amendment No. 14 inserts a provision "That this shall not apply to transient visitors from States in the Union." That applies to the fine for failing to comply with the requirement for a new permit, and exempts those coming from other States who are merely visitors in the District.

Amendment No. 15 provides for the issuance of permits without an examination.

Amendment No. 16 provides for the reissue of permits without a further examination, "unless the director has information that the applicant is not a fit or suitable person to whom license should be issued."

Amendments 18 and 19 merely change the number of the paragraph.

Amendment No. 20 strikes out "30" and inserts "22." That has reference to the speed limit. The Senate bill provided for a speed limit of 30 miles and the House reduced it to 22. Personally, I think that is wrong.

Mr. SMITH. In what zone would that apply?

Mr. BALL. That would apply in any zone.

Mr. SMITH. Twenty-two miles an hour?

Mr. BALL. Yes. The bill provides for boulevards. The Senate bill, which I think was very proper, provided for a 30-mile speed limit on them; but rather than take the chance of getting no bill by throwing it into conference in the closing days of the session, I thought it better to amend the law after the boulevards shall have been established.

Mr. McKELLAR. Does that apply to those who drive fire engines and hospital ambulances?

Mr. BALL. I think it applies just the same to them as it does to other vehicles.

Mr. McKELLAR. I am quite sure of that.

Mr. DILL. Nowhere in the District can a machine be driven at more than 22 miles an hour?

Mr. BALL. According to the bill.

Mr. DILL. What section is that?

Mr. BALL. That is section 9 as amended.

Amendment 21 is merely a change in the number of the section.

Amendment numbered 22 changes the penalty for the hit-and-run offense. It provides a prison term for the operator who runs away after he strikes another machine or person.

The second offense will be punished by imprisonment and additional fines. There are only two prison offenses provided for by the bill as passed by the House. One is where a driver strikes and injures another person and runs away, and the other is in the case of a person operating a machine while intoxicated.

Mr. McKELLAR. Mr. President, if the Senator will allow me, I desire to say that I think both of those amendments are very good ones, and I have no objection whatever to them.

Mr. BALL. I am very glad to hear the Senator say that.

Mr. McKELLAR. However, when it comes to providing for a separate police department and a separate traffic department, as is provided in the bill, and then increasing the number of traffic policemen by 100 per cent, it seems to me those matters ought to be thrashed out.

Mr. BALL. Would it not be better for me to go on and state the other amendments?

Mr. KING. May I say to the Senator from Delaware that if he hopes to have the conference report adopted now he is mistaken. I suggest that the bill ought to go to conference, and I move that the bill be sent to conference.

Mr. BALL. Will the Senator state his objections to the amendments as I have explained them?

Mr. KING. I am not called upon to state my objections. The bill had better go to conference.

Mr. SHORTRIDGE. Mr. President—

Mr. KING. It will take too much discussion here now.

Mr. BALL. If the Senator will allow me to read the language of the section to which he objects, I am sure his objection will be withdrawn.

Mr. KING. The Senator is too optimistic.

Mr. DILL. I wish to say to the Senator from Delaware that I am not going to consent to the imposition of a 22-mile limit in the District of Columbia without a vote on it. The proposition is absolutely ridiculous.

Mr. KING. I desire that the bill shall be referred to a conference committee.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Utah that the Senate disagree to the amendments of the House and ask for a conference.

Mr. BALL. I move that the Senate concur in the amendments.

Mr. KING. Of course, that is debatable.

The PRESIDENT pro tempore. The Chair is of the opinion that this debate is all proceeding by unanimous consent.

Mr. KING. Then, I object, Mr. President.

The PRESIDENT pro tempore. Then, upon objection, the regular order must be resumed which is the unfinished business.



ness, and the Chair lays before the Senate the unfinished business.

Mr. BALL. We should take some action on the House amendments. I move that the Senate disagree to the amendments of the House of Representatives, ask for a conference on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

Mr. KING. I am happy to assent to the view of my learned friend.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Delaware that the Senate disagree to the House amendments, ask for a conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and Mr. JONES of Washington, Mr. CAPPER, and Mr. KING were appointed conferees on the part of the Senate.

Mr. JONES of Washington subsequently said: Mr. President, I understand that a few moments ago the conferees were appointed on the traffic bill, and that I was made chairman of the conference committee. The Senator from Delaware [Mr. BALL] has given months to the consideration of this problem, and I feel that he should be at the head of the conference committee. He ought to be. I think probably his views and mine are very much in accord, and if, because of his views, he should not head this committee, I should not do so. I want to ask that the committee of conference be made up of five members, of whom the Senator from Delaware shall be the chairman, and that the other members be suggested by him.

The PRESIDING OFFICER (Mr. Fess in the chair). Is there objection to the request of the Senator from Washington?

Mr. BALL. Mr. President, I feel that I should not go on the conference committee, for the reason that on the one point at issue I agreed with the House and not with the Senate. For that reason I do not feel that I would be competent to sit as a conferee. I am satisfied that there is only one amendment in the whole bill that is really at issue, and that is the matter of the director of traffic.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Washington? The Chair hears none.

Mr. KING. Mr. President, of course whatever the Senator from Delaware is willing to do will be entirely satisfactory to me. I assume, of course, that the Senator from Delaware, respecting the traditions and the precedents and the unwritten law of the Senate, will use his best endeavors to execute the will of the Senate as expressed upon the point to which he has just referred. I know his moral and mental integrity, and I am perfectly willing that the Senator from Delaware should head the committee.

The PRESIDING OFFICER. There is no objection heard. The Chair appoints the following Senators as managers on the part of the Senate: The Senator from Delaware [Mr. BALL], the Senator from Washington [Mr. JONES], the Senator from Kansas [Mr. CAPPER], the Senator from Utah [Mr. KING], and the Senator from Texas [Mr. SHEPPARD].

#### APPROPRIATIONS FOR THE STATE AND OTHER DEPARTMENTS

The PRESIDENT pro tempore laid before the Senate the action of the House of Representatives receding from its disagreement to the amendment of the Senate No. 1 to the bill (H. R. 11753) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1926, and for other purposes, and concurring therein; receding from its disagreement to the amendment of the Senate No. 24 and concurring therein with an amendment as follows: In line 13 of the Senate amendment, after the word "vessel," insert the following: "within the territorial waters of the United States."

Mr. JONES of Washington. Mr. President, the House amendment is to the immigration item that was put on the bill making appropriations for the Department of State and other departments. The House agrees to the Senate amendment with a limitation. The amendment, which is on page 90, in line 14, reads:

(2) To board and search for aliens any vessel, railway car, conveyance, or vehicle, in which he believes aliens are being brought into the United States.

After the word "vessel" the House inserted the words "within the territorial waters of the United States." It seems to me that is entirely proper; I doubt if a vessel could be searched outside of territorial waters even if we did not

have that language in it; so I think the Senate should concur in the amendment of the House.

Mr. KING. Mr. President, I should like to ask whether the Senator from California [Mr. JOHNSON], the chairman of the Committee on Immigration, has been advised with regard to this amendment?

Mr. JONES of Washington. I advised the Senator from Ohio [Mr. WILLIS] of it, because he proposed the amendment in the Senate.

Mr. WILLIS. I have conferred with the Senator from California, and have apprised him of the nature of the amendment. He agrees with the Senator from Washington that it is not objectionable and if adopted will not interfere with the purposes of the immigration amendment that was agreed to.

The PRESIDENT pro tempore. The question is on concurring in the amendment of the House of Representatives to the bill.

Mr. KING. Let the amendment be read, so that the full effect of it may be understood.

The PRESIDENT pro tempore. If objection is made, the matter can only proceed by unanimous consent, and the Chair lays before the Senate the unfinished business.

Mr. KING. There is no objection. I merely asked to have the amendment read in order that we may know the nature of it. No objection has been offered. There is a great deal of difference between an objection and an inquiry as to facts about the case.

The PRESIDENT pro tempore. Very well. The Secretary will state the amendment proposed by the House of Representatives.

The READING CLERK. In line 15 of the Senate amendment, after the word "vessel," it is proposed to insert the words "within the territorial waters of the United States."

Mr. JONES of Washington. I move that the Senate concur in the amendment of the House.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Washington.

The motion was agreed to.

#### ISLE OF PINES TREATY

Mr. PEPPER. Mr. President, I move that the Senate in open executive session proceed to the consideration of the pending treaty between the United States and Cuba.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Pennsylvania that the Senate in open executive session proceed to the consideration of the Isle of Pines treaty.

The motion was agreed to; and the Senate, in open executive session and as in Committee of the Whole, resumed the consideration of the treaty between the United States and Cuba, signed on March 2, 1904, for the adjustment of title to the ownership of the Isle of Pines.

Mr. HEFLIN. Mr. President, I think a good many Members of the Senate a moment ago voted under a misapprehension of just what the situation was. I can not believe that a majority of Senators here intended to take up the Isle of Pines treaty at this time in preference to the river and harbor bill. That bill is of vast importance to the people of the whole country. I had no idea that the Senator from Pennsylvania was going to make such a motion. I thought he had in mind the banking bill. I have talked to Senators here since the vote was taken who did not know what the question was. I hope the Senate will not proceed, as it is about to do, with the Isle of Pines treaty. We can consider that treaty when we assemble here in special session after the 4th of March following the adjournment of the present Congress. I wish now to sound this note of warning to Senators who are voting for this procedure, that they are driving nails in the coffin of the river and harbor bill.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. HEFLIN. I am glad to yield to the Senator from Arkansas.

Mr. ROBINSON. Mr. President, the treaty with Cuba relating to the Isle of Pines has been pending in the Senate of the United States for more than 21 years. This treaty was made a special order of the Senate some weeks ago, and its provisions were discussed at length by a number of Senators. Certainly the time has come when the Senate of the United States should make some disposition of the treaty. It does not reflect credit upon the efficiency of this body in its dealings with foreign governments to keep pending before the Senate a subject of this nature; nor do I believe it is just to foreign countries whose interests are involved in treaties to prevent a de-



cision of important questions affecting our relations with them.

This treaty in a moral sense, as well as in a technical sense, is the unfinished business of the Senate of the United States. If an agreement to vote upon the treaty can be reached, an arrangement of that sort ought to be effected immediately, and I inquire of my friend, the Senator from Alabama, whether he can suggest a unanimous-consent agreement or will entertain a suggestion for such an agreement to test the sense of the Senate upon advising and consenting to the ratification of the Isle of Pines treaty?

Mr. HEFLIN. Mr. President, so far as I am individually concerned, I have no objection if we can agree on some time toward the end of the session to vote on the treaty. I have no desire merely to hold it up, but my suggestion was that we could dispose of the treaty after the present Congress adjourns and the Senate is called in special session after the 4th of March. At that time, of course, we can not take up the river and harbor bill.

Mr. ROBINSON. Suggestions similar to that have resulted in the delay of over 21 years in the settlement of this very simple question. I repeat that we ought to take action concerning this treaty. We ought not to insist upon deferring it from session to session, from year to year, if we want the people of the United States to respect the Senate of the United States as an essential part of the treaty-making power.

The questions involved in the treaty are simple; issues of fact may be considered and determined; but no consideration sounding in the interests of the United States or in the interests of Cuba can justify further delay in voting upon the question whether the United States shall keep faith with the Republic of Cuba, which was brought into existence through the activity of the United States.

I ask unanimous consent that on next Friday the Senate shall meet at 10 o'clock a. m. and proceed to the consideration of the pending treaty, and that before the expiration of that calendar day the Senate shall proceed to vote upon the question, Shall the Senate advise and consent to the ratification of the treaty?

The PRESIDENT pro tempore. Is there objection?

Mr. SIMMONS and Mr. BORAH addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. BORAH. The Senator from North Carolina was addressing the Chair before I rose, and I yield to him.

Mr. SIMMONS. I yield to the Senator. I assume he wants to say about the same thing I do.

Mr. BORAH. I presume so. All I wish to say is that if the proposed unanimous-consent agreement could be made to include a sufficient length of time to enable the Senate properly to discuss this question I do not think I should object to it.

Mr. ROBINSON. Mr. President, will the Senator yield there?

Mr. BORAH. Yes.

Mr. ROBINSON. My proposition is to proceed at 10 o'clock a. m. on Friday next to the consideration of the treaty and vote not later than 12 o'clock at night, which would give 14 hours for the consideration of the treaty. I made the proposition liberal so as to preclude any question of an attempt to shut off fair debate. Certainly 14 hours additional debate on the question before the Senate would be adequate, and I myself would be willing to waive, if necessary, any privilege of debate in order to secure a vote on the treaty.

Mr. BORAH. Mr. President, if other conditions here were as they generally are when we are in the midst of a session or before the closing days of the session, the Senator's proposition would be very fair; but in the closing days of the session, with the multitude of matters to engage our attention both on the floor and off the floor, it is impossible to give the consideration to it which it should have in that time.

Mr. President, we are going to meet here on the 4th day of March in an extra session of the Senate. The treaty can be brought up at that time. There will be practically nothing else to engage our attention, and we can dispose of it within a few days at most, whether there is an agreement to vote or not.

Mr. CURTIS. Mr. President, would the Senator agree to a vote, say, five days after we meet?

Mr. BORAH. I do not know whether I would or not, but I will agree to cooperate with the Senators in bringing the treaty before the Senate and keeping it before the Senate until it is disposed of.

Some people think that this is a simple matter. It may be a simple matter, but it is a matter about which some of us feel very keenly and very deeply. Therefore I do not want to enter into an engagement which would preclude offering reservations and considering them in a proper way, but I have no desire at

all to prevent the disposition of this matter, provided we can do so under circumstances which will admit of full discussion and debate.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. BORAH. Yes.

Mr. ROBINSON. There will not be, I believe, the slightest disposition to resist any arrangement that will effectuate a vote on this treaty; and if an agreement can be reached to take a vote during the special session which the Senator contemplates will be called, I shall be glad to cooperate in an effort to make the arrangement. If the Senator will himself suggest the terms and conditions under which the final vote may be taken in the special session, I shall be glad to have him do so; otherwise I myself will make a proposition.

Mr. BORAH. Mr. President, I will make a suggestion to the Senator after I have an opportunity to confer with some of those who are interested in the matter, but I can not do it at this moment while I am standing on the floor. I will say to the Senator, however, speaking for myself, that my vote will always be recorded for bringing this treaty forward and keeping it before the Senate until it is disposed of at the special session. I can say that; but as to making an agreement now, I would not be able to do that without consulting some of my friends.

Mr. ROBINSON. In that view of the matter and in the hope that an arrangement for a vote may be made that will be satisfactory to practically all Senators, I suggest to the Senator from Pennsylvania [Mr. PEPPER] that he move to proceed to the consideration of the banking bill.

Mr. BORAH. Then we will have to go back into legislative session.

Mr. ROBINSON. Yes; my suggestion is that we proceed to the consideration of the banking bill in legislative session.

Mr. PEPPER. Mr. President, am I right in understanding from what has last been said by the Senator from Idaho that a real effort will be made to come to an understanding respecting a program which will give us reasonable assurance that, if not during the present session, at least during the special session, this matter may come before the Senate for decisive action?

Mr. ROBINSON. Mr. President, if the Senator from Idaho will be kind enough to yield to me further, I think the arrangement is that those who represent the opposition to the treaty and who are especially interested will confer and probably later submit a proposition fixing a time to vote; and in the hope and expectation that an agreement will be reached I have made the suggestion that the Senate proceed to the consideration of other business.

Mr. CURTIS. At any rate, Mr. President, there will be an agreement to proceed immediately or early after the convening of the extra session to the consideration of the proposition with a view to having it settled?

Mr. ROBINSON. No, Mr. President.

Mr. BORAH. Senators need not be so sensitive about this agreement. They have the majority here to bring up the treaty at any time, and I will vote with them to bring it up at any time, and I will vote to maintain it before the Senate all the time. That is as far as I can go individually.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. BORAH. Yes.

Mr. ROBINSON. The committee of which the Senator from Idaho is chairman has reported this treaty favorably some three or four times. It never has made an unfavorable report. The same conditions that exist now have prevented the final disposition of the treaty until I think it has become a subject justifying serious criticism of the Senate, and my thought is that the time has come when a definite arrangement ought to be made. We have no disposition to restrict debate or to prevent any Senator from expressing his opinion fully on the subject. The object is to get action one way or the other by the Senate of the United States.

Mr. BORAH. I have said all I can say—that I will confer with those who are interested in the matter and see if we can arrive at a conclusion as to a definite agreement.

Mr. ROBINSON. That is satisfactory.

Mr. BORAH. I have stated my personal position as far as I can, and that is that when the treaty can be brought before the Senate and kept before the Senate, so that we may discuss it, I am perfectly willing that it shall draw to a conclusion and be voted upon. I have never joined in a filibuster in 18 years.

Mr. SWANSON. Mr. President, will the Senator yield a minute? This treaty was put off at the last long session of



the Senate because it was made the first unfinished business at this special session. Then another agreement came in.

Mr. BORAH. Mr. President, let me say a word there. This treaty was put on the calendar on December 10. For four weeks thereafter another matter was before the Senate. It had as a matter of fact lost its place upon the calendar.

Mr. SWANSON. The Senator is mistaken in that respect. This is open executive business and the other was the unfinished business in legislative session, and a privileged motion could have been made at any time to proceed to the consideration of executive business.

Mr. BORAH. It was agreed upon all hands, however, that we would not interfere with Muscle Shoals. Nobody sought to interfere with it; and so far as I know there has not been the slightest coloring of a filibuster against this proposition, and there will not be so far as I am concerned.

Mr. SWANSON. I am satisfied that the Senator is correct in that statement, but I do not know to what extent it might include others who desire to delay action on this treaty. I have no objection to its coming up at the special session if we have any assurance that it will be disposed of at the special session and not delayed and delayed and delayed, as it has been for 21 years. Every time it has come up it has been delayed in this way by somebody wanting to speak, somebody wanting to get better satisfied as to its provisions and the effect of it, and wanting an investigation. I think the time has come to dispose of this treaty one way or the other, and all I want is to have an agreement that after a certain length of time in the special session it will be disposed of, so that Senators will know what that time is and remain here and do it.

It seems to me that the right course to pursue, so as not to let this matter interfere with other business, is to adopt the suggestion made by the Senator from Idaho that he would see those who cooperate with him in opposition to this treaty and submit a proposition as to a time at the special session at which we can vote on this treaty.

Mr. SMITH. But the point is, at what time does the Senator think he would be ready after he has his conference with his colleagues who are of the same opinion as himself? What length of time does he think would be necessary? We have but a very few more days before we adjourn.

Mr. BORAH. I will report, so that my integrity of purpose will not be called in question.

Mr. SMITH. It was not that. I was wondering if it would not be possible for it to be within the next three or four days, on account of the pending bills.

Mr. BORAH. Why, certainly. It is liable to be in the next three or four hours; certainly to-morrow some time.

Mr. PEPPER. Mr. President, will the Senator yield to me?

Mr. BORAH. Yes.

The PRESIDENT pro tempore. To whom does the Senator from Idaho yield?

Mr. BORAH. I yield to the Senator in charge of the treaty.

Mr. PEPPER. Mr. President, it seems to me that the hearty assurance of a desire to cooperate in this matter is all that Senators may possibly expect from the Senator from Idaho, and, coming from such a source, it seems to me that it ought to be conclusive; and if I gain the floor in my own right I shall move, in accordance with the suggestion made a few moments ago, that the Senate proceed as in legislative session with the consideration of House bill 8887.

Mr. BORAH. I will yield to the Senator for that purpose in just a moment.

Mr. DILL. Mr. President, I desire to make a suggestion. Is it or is it not a fact that this Senate can not make a unanimous-consent agreement as to the date of a vote in the next Senate? This Senate ends on the 4th of March, and one-third of the present Senators will not be here after that time.

Mr. SWANSON. If the Senator will permit me, the executive business of the Senate does not expire at the end of a session. The treaties do not expire.

Mr. DILL. But one-third of the membership ends.

Mr. SWANSON. The legislative business is the only part that expires.

Mr. BORAH. I have an idea that if we could come to an understanding here, it would be carried out.

Mr. SWANSON. It has been uniformly held, on the executive side, that the Senate is a continuing body.

The PRESIDENT pro tempore. The Chair understands the Senator from Idaho to object to the proposed unanimous-consent agreement.

Mr. BORAH. At the present time I do not understand that there is any request pending.

Mr. ROBINSON. I do not press the request in view of the suggestion which has been made and the tentative arrange-

ment that has been entered into. Unless an agreement is reached within a reasonable time, of course, I may renew the request for a vote at this session.

Mr. BORAH. Very well.

Mr. ROBINSON. But if a vote can be had in the extra session, after reasonable consideration of the treaty, I shall be glad to effectuate that arrangement. I shall be entirely satisfied with it.

#### AGRICULTURAL RELIEF LEGISLATION

Mr. BORAH. Mr. President, the treaty matter having been temporarily disposed of, while I am on my feet may I say a word about another matter?

We are now within four or five days of the close of the session. We can scarcely regard Monday and Tuesday as anything in the nature of a time when we can consider anything seriously with reference to legislation. Anything that is going to have really serious consideration or extended discussion must be considered between now and Saturday night. We have about four days, and nothing has been as yet advanced in the way of legislation with reference to agricultural matters.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. BORAH. Yes.

Mr. CURTIS. I understand that the House will likely vote to-morrow upon the bill that was introduced to carry out the recommendations of the agricultural commission. I have suggested to the steering committee that they be ready to take up that question, and that we proceed at the very first moment to take up the Senate bill—which, I understand, is substantially the same as the House bill—and substitute the House bill for the Senate bill, and proceed with it with a view of having it enacted before we adjourn.

Mr. BORAH. Mr. President, I certainly do not wish to be understood as criticizing, either directly or indirectly, expressly or impliedly, the action of the majority leader, who is not only efficient but is accommodating to everybody. Nevertheless, Mr. President, to call up this cooperative marketing bill and consider it for a day or two days and pass it, in my judgment, would not be to legislate intelligently upon this subject at all. It is far better for the farmers that they be postponed for another year than to be fed upon an undigestible proposition, or one which has not been considered with the degree of deliberation which is necessary in order to dispose of this kind of a subject.

If we wait until the House bill comes over here and then take up this matter for the first time for discussion and consideration, we are going to pass here a bill which will not have even the approbation of the Senate, but one which will receive its approval rather through sheer expediency, merely to get rid of it.

I think, Mr. President, and I want to repeat it here, because I am going to repeat it many times before next fall, that instead of having an extra session of the Senate we ought to have an extra session of Congress, where we can deal with this subject in a way that the subject demands that it shall be dealt with. To take up this legislation with the river and harbor bill, the Cape Cod bill, the appropriation bills, and these other matters crowding in upon us and urging us to action, is simply to pass here a bill which is a sheer matter of expediency and nothing else. The only thing it will likely have in it that anybody knows definitely about is a commission with salaries of \$12,000 apiece for the members of the commission.

We ought to have time to consider it, and to consider it for days, to consider it in a way that the subject demands, and we can not do it, in my judgment, at this special session. I have lost considerable interest in it by reason of that fact, but I have not lost interest in the fact that we ought to have a special session of Congress. For the Republican majority, sent here by the tremendous majority which it received, with a pledge to the voters that this legislation would be enacted, to go home and remain in idleness until next December is a betrayal of the public trust, and will in time receive the condemnation it invites. When I think of the detriment which may come to thousands of our people, of the sacrifices which they may be compelled to make, I am at a loss to know how we can go home and idle away our time and, if our corroded sense of duty will permit it, to enjoy our vacation for months.

#### NATIONAL BANKING ASSOCIATIONS AND FEDERAL RESERVE SYSTEM

Mr. PEPPER. Mr. President, in compliance with the suggestion I made a moment ago when the Senator from Idaho yielded to me, I now, if recognized in my own right, move that the Senate proceed as in legislative session to the consideration of House bill 8887, being the bill for amending the provisions of the national banking act.



The PRESIDENT pro tempore. The Senator from Pennsylvania moves that the Senate proceed to the consideration of legislative business.

The motion was agreed to, and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8887) to amend an act entitled "An act to provide for the consolidation of national banking associations," approved November 7, 1918; to amend section 5136 as amended, section 5137, section 5138 as amended, section 5142, section 5150, section 5155, section 5190, section 5200 as amended, section 5202 as amended, section 5208 as amended, section 5211 as amended, of the Revised Statutes of the United States; and to amend section 9, section 13, section 22, and section 24 of the Federal reserve act, and for other purposes.

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate concludes its business this afternoon it adjourn until 11 o'clock to-morrow morning.

Mr. WADSWORTH. May I ask how long the Senator from Kansas expects the Senate to stay in session this evening?

Mr. CURTIS. I thought we would stay in session until about 7 o'clock.

Mr. WADSWORTH. I am very glad to know that.

Mr. ROBINSON. I suggest to the Senator from Kansas that he modify his request so as to provide for adjournment at 7 o'clock, in order that Senators who have other engagements for the evening may carry them out.

Mr. CURTIS. I am perfectly willing to do that. I will change the request and ask that at not later than 7 o'clock the Senate shall adjourn until 11 o'clock to-morrow morning.

The PRESIDENT pro tempore. The Senator from Kansas asks that the Senate adjourn at not later than 7 o'clock this evening until to-morrow at 11 o'clock. Is there objection? The Chair hears none, and it is so ordered.

Mr. PEPPER. Mr. President, I suggest that a stage has been reached in our discussion of this measure at which it is proper to proceed with the consideration of the committee amendments. If the Chair thinks proper, I suggest that we proceed with the committee amendments.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment proposed by the committee on page 9, which is the equivalent of a motion to strike out and to insert.

Mr. PITTMAN. Mr. President, I desire to address myself to the first amendment proposed by the committee, found on page 5 of the bill. I am in favor of the amendment if its construction is such as was stated last night by the Senator from Pennsylvania [Mr. PEPPER] and the Senator from Virginia [Mr. GLASS]. I must confess, however, that I can not construe the language of the amendment as it is construed by the Senator from Pennsylvania. The language proposed to be stricken out of the bill as it passed the House does accomplish the purpose stated by the Senator from Pennsylvania and the Senator from Virginia. The amendment does not accomplish the purpose. Let me explain what I mean. There is a limitation in this bill as to the number of branch banks which may be established. It is a very important limitation. As far as I am concerned, if that limitation were not in the bill, I would not need to go further to find opposition to the measure.

Last night reference was made to the Bank of Italy, of California, and inquiry was made as to what would be the result on the branches of that bank of the consolidation of the bank with a national bank in San Francisco. It was stated, as I understood, by the Senator from Virginia, that in the event of such a consolidation the hundred branch banks of the Bank of Italy outside of the city of San Francisco could not be in the consolidation and would probably be liquidated. Let us see what the amendment provides. This is the substitute offered by the Senate committee for the House provision:

That it shall be unlawful for any such consolidated association to retain any branch or branches in any State which at the time of the approval of this act did not by law, regulation, or usage with official sanction permit State banks or trust companies to have such branches.

As a matter of fact, the law does prevent the hundred-odd branch banks in California. This amendment does not deal at all with the number of branch State banks which may be taken into a consolidation. It deals only with the limitation that there shall be no branch banks under this consolidation that are not permitted in a State by State law. Let us see the distinction between the House provision, which is proposed to be stricken out, and that language. This is the House provision which is proposed to be stricken out. I am now reading on page 5, line 11:

And provided further, That, except as to branches in foreign countries, independencies, or insular possessions of the United States, it shall

be unlawful for any such consolidated association to retain in operation any branches which may have been established beyond the corporate limits of the city, town, or village in which such consolidated association is located, and it shall be unlawful for any such consolidated association to retain in operation any branches which may have been established subsequent to the approval of this act.

That is the provision inserted by the House. There is no question as to what that means. That means that the hundred-odd branch banks of the Bank of Italy in the case of a consolidation with a national bank of San Francisco, shall cease to exist, that they shall be liquidated.

The provision substituted for that, as I have read it before, only makes it unlawful to have branch banks in a State where State banks are prohibited from having branches. As suggested to me by the Senator from Missouri [Mr. REED], I might as well read the whole matter proposed to be inserted. I have read what is proposed to be stricken out of the House provision. There is no question of the effect of the House provision. It simply states that branches outside of the municipality where the main bank of the State bank is situated are unlawful.

Again let us turn and read the substitute for that, and see if it means the same thing. This is what is proposed to be substituted:

That it shall be unlawful for any such consolidated association to retain any branch or branches in any State which at the time of the approval of this act did not by law, regulation, or usage with official sanction permit State banks or trust companies to have such branches; but branches established by a State bank under such law, regulation, or usage, and heretofore lawfully retained when consolidation was effected with a national banking association may continue to be maintained by any such consolidated association.

I am not, however, dealing now with the last clause of that amendment. The last clause of that amendment undoubtedly refers to prior consolidations, so I leave that. I am now dealing with the first part of the first clause. That first clause does nothing on earth but provide that where it is unlawful for a State bank to have branch banks, then it shall be unlawful after a consolidation between a State and a national bank. That is all it provides. After the House provision is stricken out, there is nothing that states that the numerous branches of State banks outside of the municipality of the parent bank shall not become part of the consolidation.

The greatest objection I have to this bill is the power conferred on branch banks. The committee itself has recognized that there is a danger in branch banks. Both Houses have attempted to scientifically limit the number of branch banks, and yet by this amendment the gate is thrown down entirely, because a bank could go into a State like California, which permits branch State banks, or into a State like Missouri, which permits branch State banks, and they could lawfully place a branch of a State bank in every town in Missouri or in California. Then they could consolidate with the State bank a national bank, and the national bank then would carry all of those branches with it. If that could not be done, I would like to find the language in this bill which prohibits it. I do not find it.

Mr. PEPPER. Mr. President, I think the Senator from Nevada has done us a great service in calling attention to this provision, which is one of the utmost importance, and if it does not rightly express the clear intention which the committee had, then it ought to be modified to give expression to such intention. This is the substance of the thought of the committee. Let us see if we can agree on the substance of the matter. If we can, it will be a simple matter to put it into phraseology.

We have this situation, that under the existing law where, in a State that permits branch banking, a State bank has established branches and then through the process of conversion and consolidation has merged itself into a national banking association that national banking association, as the result of such conversion and consolidation, is to-day lawfully retaining the branches in question. The substance of the thought of the committee—and in this respect we understand we are in accord with the intention of the House—is not to disturb or disintegrate that situation as it exists lawfully to-day.

In a State like California, for example, where branch banking is permitted, if a national bank to-day is retaining branches in virtue of conversion and consolidation with a State bank which had branches at the time of conversion, it is not the intention of this bill to interfere with that status.

I am not quite sure whether the Senator from Nevada is in harmony with the substance of that proposition or not.



Mr. PITTMAN. I am in harmony with the substance of it, and I said the last clause of the amendment deals with that point, but the first clause, which is intended to deal with matters stricken out of the House bill, does not deal with it. Let us not deal, so far as I am concerned for the present, with the result of past action. I am talking about future action. If after the bill is passed the First National Bank of San Francisco forms a consolidation with the Bank of Italy, where is there any prohibition in the bill from carrying with it the 100 branches of the Bank of Italy?

Mr. PEPPER. It must be forgotten that we are not dealing with a situation in which a power exists unless there is a prohibition. The bill is an enabling act to confer powers where none now exist at all. This is the proposition of the committee, that where we have existing branches as the result of conversion and consolidation in times past, the question is whether we may retain them. If we have not any branches after the date of the passage of this act, the question is whether we may establish them. The only provision on the subject of retaining them is found in the section under discussion and in the seventh section. Unless the power to retain existing branches is found in the first or seventh section, it is not to be found in the bill. If the Senator deals with the question of future acquisition or establishment of branches by national banks, whether through consolidation or otherwise, he will find that there is no enabling power in that regard save in the eighth section of the bill. In all cases it seems to us that we have carefully safeguarded, first, the conditions of retention, and, second, the conditions of establishment. Do I make myself clear to the Senator?

Mr. PITTMAN. Very clear. I still am not directing my attention to retaining the status quo of banks established prior to the passage of this bill. I have in mind what the powers of consolidation are to be after the bill is passed.

Mr. PEPPER. If I may focus attention upon that, I suggest that any branch not already acquired by a national bank at the date when this bill is passed, if it is to exist in the future, must exist in virtue of power to establish or acquire conferred by this bill. I think the Senator will fail to find in the bill any language outside of section 8 which authorizes such establishment or acquisition. Section 8 is very carefully guarded to meet the Senator's thought.

Mr. PITTMAN. Section 8 provides for the consolidation of a national bank with a State bank.

Mr. PEPPER. I beg the Senator's pardon, I think not.

Mr. PITTMAN. What does it provide for?

Mr. PEPPER. It provides that a national banking association, in addition to the right to retain branches under section 1 and section 7, may "upon the following conditions" establish branches in the future.

Mr. PITTMAN. I am not dealing with that section at all. That is the reason why I asked the question. The Senator is dealing with a section granting to national banks the right to establish branches. I am trying to hold the Senator's attention to the one clause that is stricken out. Let me read it again and ask why it was stricken out. That will bring it out more quickly than any other way. Here is the clause in the House bill stricken out, and I want to know why it was stricken out and how the Senator's provision amends it. On page 5, commencing in line 11, the language stricken out is as follows:

*And provided further, That, except as to branches in foreign countries, independencies, or insular possessions of the United States, it shall be unlawful for any such consolidated association to retain in operation any branches which may have been established beyond the corporate limits of the city, town, or village in which such consolidated association is located, and it shall be unlawful for any such consolidated association to retain in operation any branches which may have been established subsequent to the approval of this act within the corporate limits of the city, town, or village in which such consolidated association is located, in any State which at the time of the approval of this act did not, by law or regulation, permit State banks or trust companies created by or existing under the laws of such State to have such branches.*

Why did the committee strike that out?

Mr. PEPPER. Does not the Senator think that that language is at least capable of the interpretation that a national banking association, which is to-day lawfully maintaining branches in virtue of past consolidations, must under the terms of the bill lose the branches which it is maintaining under existing law? In other words, is not the language at war with what the Senator agreed to a few moments ago as being the substance of our thought?

Mr. PITTMAN. Again the Senator takes up the last clause of his amendment. He continually goes back to the status

quo of banks before the enactment of the law. I have read the limitations placed upon the consolidation as provided in the House bill. What limitations have the committee placed after striking out the House language which I have read?

Mr. GLASS. Mr. President, will the Senator from Pennsylvania yield?

Mr. PEPPER. I gladly yield, although the Senator from Nevada, I believe, has the floor.

Mr. PITTMAN. I yield to the Senator from Virginia.

Mr. GLASS. Let us consider for a moment the concrete case mentioned by my friend from Nevada. We will assume that the bill becomes a law. We will assume that after it shall have become the law the Bank of Italy in the State of California, with its large number of branches, will seek to consolidate with the First National Bank of San Francisco. Now, can the Senator tell us by what sanction of law or by sanction of what law that national bank thus consolidated with the State Bank of Italy will establish or retain branches?

Mr. PITTMAN. Let me start in and see about it. Here is the clause providing for consolidation. Let us see what it says. We want to start from the first. I judge that authority to take the branches is not given in the law, and therefore the Senator says the limitation is not necessary. Here is the language:

That any bank or trust company incorporated under the laws of any State, or any bank or trust company incorporated in the District of Columbia, may be consolidated with a national banking association located in the same county, city, town, or village under the charter of such national banking association on such terms and conditions as may be lawfully agreed upon by a majority of the board of directors of each association, bank, or trust company proposing to consolidate, and which agreement shall be ratified and confirmed by the affirmative vote of the shareholders of each such association, bank, or trust company owning at least two-thirds of its capital stock outstanding, or by a greater proportion of such capital stock in the case of such State bank or trust company if the laws of the State where the same is organized so require, at a meeting to be held, etc.

In other words, by the first and second paragraphs of the bill the committee provides for the consolidation, as I said, of State banks with national banking associations.

Now I go back again to the Bank of Italy. What is the Bank of Italy? Is the Bank of Italy solely a banking institution in the city of San Francisco? It is not. The Bank of Italy has its assets in 100 towns in branch banks in the State of California. If to-morrow the Senator should buy the Bank of Italy he would buy every branch with it. If he consolidated the First National Bank with the Bank of Italy under this authority, he would take into the consolidation every branch bank it has. What is the result? We have the power to consolidate banks. The House having granted the power to the First National Bank in San Francisco to consolidate with the Bank of Italy, it carries with it its hundred branch banks.

Then consider the proposition of branch banks as the committee considered the bill with regard to national banks. What did they do? They placed in the bill the express provision that none of the branch banks of the consolidating banks outside of the municipality should be taken into the consolidation. That was plain language, so plain that even the Senator would not have to debate it; he could read it on the floor. But when we start back in the debate again he commences to deal with what the purpose of the committee was, and constantly goes back to the purpose of the committee to do something else besides limit these things.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER (Mr. Fess in the chair). Does the Senator from Nevada yield to the Senator from Virginia?

Mr. PITTMAN. I yield.

Mr. GLASS. If the Senator from Nevada will simply dismiss the House bill from his mind and consider the pending bill, should the Bank of Italy in the State of California with its numerous branches undertake consolidation with a national bank in San Francisco, the only sanction it could possibly have for maintaining branches would be the sanction of this bill. I ask the Senator to point to any sentence in the bill that would authorize a national bank in San Francisco which had acquired the property of the Bank of Italy to establish or retain a branch bank except by the sanction of this bill, which means except by the sanction of the Comptroller of the Currency, within the corporate limits of San Francisco.

Mr. PITTMAN. The only difference between the Senator and myself is that I desire to be certain about it, as the House was.

Mr. GLASS. I differ with the Senator with respect to the House provision. The House provision, as the Senator from



Pennsylvania well knows, related to a provision of the House bill which has been stricken out altogether.

Mr. PITTMAN. Of course, when the Senator speaks about provisions, and so forth, I can not follow him. When he reads a provision I can look at it if I have it before me in the bill under consideration, and I can appreciate his argument. Here is the difference. The Senator from Virginia said that the general provisions of the bill limiting branch banks to national banks governs, but what becomes of those branch banks in the State of California? What becomes of them under the bill as it is here before us?

Mr. GLASS. They must be relinquished under the terms of this bill.

Mr. PITTMAN. It does not say anything about relinquishing them.

Mr. GLASS. It does not need to say anything because they can not exist except by sanction of law.

Mr. PITTMAN. That draws exactly the distinction between the Senator and myself. He wants to leave this matter to the discretion of somebody because nothing else can happen except what he says will happen. He wants to have in the amendment—

Mr. GLASS. This statute, if the bill should become a statute, states very specifically what may be done. It states that no national bank, subsequent to the passage of this act, may establish a branch bank in any city of a population of less than 25,000, and but one branch bank in a city having a population between 25,000 and 50,000, and but two branch banks in cities having between 50,000 and 100,000 population, and in cities of greater than 100,000 population may not establish branch banks in any number except through the sanction of the Comptroller of the Currency. Therefore, if the Bank of Italy, in the State of California, should consolidate with a national bank in San Francisco, how could it establish and what sanction would it have for establishing or maintaining branches except by the terms of this bill. It would no longer be a State bank operating by sanction of State laws, but would be a national bank operating by sanction only of this proposed statute. The bill provides in plain language that subsequent to its becoming a law national banks may have branches only under its specific terms. I am not a lawyer, and it may seem presumptuous in a layman to be construing laws, but that seems so simple to me that I marvel at lawyers not understanding it.

Mr. PITTMAN. Mr. President—

Mr. PEPPER. Mr. President, will the Senator from Nevada permit me to supplement a statement which the Senator from Virginia [Mr. GLASS] has made?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Pennsylvania?

Mr. PITTMAN. Yes.

Mr. PEPPER. It seems to me that the Senator from Virginia has made it abundantly clear that if this measure shall become a law no authority can be found in its four corners for a national bank, whether by consolidation, conversion, or original establishment, to set up any branches in the future excepting under the limitations that the Senator from Virginia has specified. On the other hand—and this is the point to which I now wish to direct the attention of the Senator from Nevada—the language of the House bill must receive some amendment in order to make it manifest what we understand the purpose of the House to have been, namely, that this proposed law when it passes is not intended to disintegrate any situation that lawfully exists.

Mr. PITTMAN. The second clause does that, and I am for it.

Mr. PEPPER. No; I am not speaking of that. I am speaking of the language of the House bill; and I am seeking to point out that we must make some change in the language of the House bill, as I think the Senator will concede.

Mr. PITTMAN. I have already agreed that some additions, not changes, will have to be made; that something which has been left out must be added.

Mr. PEPPER. Since the Senator from Nevada makes that concession, I shall not weary him more upon that point; but a few moments ago he read the language and asked me to say for the committee why we had changed the language of the House bill.

Mr. PITTMAN. Yes.

Mr. PEPPER. My answer is, in order to cover the point to which the attention of the Senate has now been directed.

Mr. PITTMAN. We are together, then, as to that.

Mr. PEPPER. Yes.

Mr. PITTMAN. Now, as to the first clause. The last clause provides for maintaining the status quo. The first clause

merely provides that branch banks shall not continue to exist where it may be unlawful for State banks to have them. That is all right; but we are now dealing with a case where it is lawful for a State bank to have branches. There is no question that the branch banks of the Bank of California are lawful according to law. Consequently the amendment does not touch that situation. Now, going back to the position taken by the Senator from Virginia [Mr. GLASS], which is, as I take it, that no amendment on that subject is needed; that the law is so plain that it does not need any express limitation. We all agree that we do not want those hundred branch banks to go into a consolidation. We all agree on that as a matter of policy.

Mr. PEPPER. My mind goes along with the Senator's as to that.

Mr. PITTMAN. Then, that, as I understand is the policy of the act; and as that is the policy of the act, we want to be sure that it will be carried out. The House of Representatives, taking no chances as to that, as I said before, provided that it shall be unlawful for any such consolidated association to retain in operation any branches which may have been established beyond the corporate limits of the city.

Mr. PEPPER. But that language is the very language which the Senator and I have agreed can not stand as it is, because the Senator will perceive that if that language does stand, then this will be the result: If the Bank of Italy had last year consolidated with a national bank in California and that national bank was to-day retaining those branches as it might lawfully do under the existing law, the language that the Senator has just read, unless amended, would compel the disruption of that situation. It is against that contingency that we all agree careful provision should be made.

Mr. PITTMAN. Very well. Referring, for illustration, to the Bank of Italy, the House bill provides that it shall be unlawful to maintain branches outside of San Francisco. The Senator, however, says that such branches may already have been acquired, and therefore there should be an exception. Why could we not retain the House provision that it shall be unlawful to maintain such branches, and also a portion of the Senate committee amendment, and say, "except branches established by a State bank under such law, regulation, or usage, and heretofore lawfully retained when consolidation was effected with a national banking association may continue to be maintained by such consolidated association"?

That, the Senator will understand, would provide for the exception that he has in mind for past transactions, but what is desired to be done apparently is to provide for the exceptions and not to provide for the main limitation.

Mr. PEPPER. Mr. President, I think that the difference between us is due to our fundamental difference of apprehension respecting the function of the proposed act. The Senator from Nevada sees the danger of establishing branch banks unless they are carefully prohibited. We have assumed that branch banks may not be established by national banks unless they can point to the letter of authority in the law.

Mr. PITTMAN. Let me take that question up. I have just as high an opinion of the interpretation by the Senator from Virginia of the meaning of the law of banking as I would have of that of any lawyer; I do not think he need feel modest about his knowledge at all. However, let us see. The bill provides, in the first place, for the consolidation of State banks and national banking associations. What does that embrace? We will again take the Bank of Italy as an illustration. If the First National Bank of California should, under that section, consolidate with the Bank of Italy what would be the result? The First National Bank of California would take over the entire Bank of Italy, and the Bank of Italy consists of a main bank and a hundred branches. We can not possibly authorize a purchase of the Bank of Italy and then after it has been purchased contend that they only purchased the main bank in San Francisco. But the Senator says, even after they obtain all the branch banks under the authority to consolidate, the other section of the bill, which limits the number of branch banks that any national bank may have, would cut them off.

Mr. GLASS. Mr. President—

Mr. PITTMAN. I will ask the Senator to wait a moment. Let us see whether or not it will cut them off. That deals with the question of branch banks in the future; it does not deal with an existing fact; that is the trouble about it. Of course, after this bill shall have passed, the first national bank may not establish more than a limited number of branches; but I call attention to the fact that in another section the consolidation of branch banks is authorized, and it would not



stand in a court of equity to say that those branch banks were not acquired under the law. It would not be necessary to ask to establish them; the purchasing bank would not be bound by the limitation as to their establishment in the future, for they would exist. The law has given the bank the right to purchase the branch banks, and there is no provision destroying them in this bill.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Virginia?

Mr. PITTMAN. I yield.

Mr. GLASS. Would the Senator from Nevada contend that because a State bank is consolidated with a national bank, therefore the national bank must retain all of the employees or retain all of the various departments of the State bank?

Mr. PITTMAN. No; but it could do it.

Mr. GLASS. For example, there are departments of banking sanctioned by State laws and prohibited by the national bank act. Would the Senator contend that because there is a consolidation of a State bank with a national bank, because a national bank acquires the rights and property of a State bank, therefore the national bank is compelled, contrary to the national bank act, to perpetuate these departments of the State bank permitted by the State banking law?

Mr. PITTMAN. I do, if this bill passes, because—

Mr. GLASS. Oh, no.

Mr. PITTMAN. Because it authorizes that to be done.

Mr. GLASS. My contention is that if the Bank of Italy, in the State of California, were purchased by a national bank in San Francisco, it would then become a national bank subject to the national bank act and not a State bank subject to the State laws of California, and that by the conversion it would automatically abandon all of its branches under this proposed act.

Mr. KING. Except those within the city.

Mr. GLASS. Except those within the city of San Francisco.

Mr. PITTMAN. That might be the construction placed upon it.

Mr. GLASS. What would be the sanction of law for their continuance?

Mr. PITTMAN. I have tried to read the very section that proposes to provide the sanction. There is not any sanction to-day, but there is a sanction under this bill, and that sanction does not limit the consolidation. That is my contention.

Mr. GLASS. There is a sanction of consolidation, but no sanction of the establishment and maintenance of branches.

Mr. PITTMAN. I understand that, but it must seem absurd to the Senator from Virginia to authorize a national bank to purchase a bank that has a hundred branches and after that purchase to put a construction on the law to the effect that they can not own them. That is too absurd for any use on earth.

Mr. GLASS. Let me ask the Senator this question, if he thinks that is absurd: Say the State laws of Nevada authorize a State bank to conduct a savings department or a trust department, whereas the national bank act prohibits a national bank from conducting a savings or a trust department, and a national bank acquires the property of a State bank by consolidation; under this bill does the Senator mean to say that, in contravention of the national bank act, that national bank, because it acquires the State bank, may conduct a trust and savings bank business?

Mr. PITTMAN. Oh, no; but there is no comparison there.

Mr. GLASS. The two cases are on all fours.

Mr. PITTMAN. Here is the difference, if the Senator will allow me to point it out. The institution is still a national bank after it has absorbed the Bank of Italy.

Mr. GLASS. The Bank of Italy is then a national bank.

Mr. PITTMAN. I understand it becomes a national bank; the two institutions become one national bank, and that bank must exist according to the rules and regulations governing national banks, so there is no difference there; but here is what I am getting at—

Mr. GLASS. Right there will the Senator allow me to interrupt him?

Mr. PEPPER. Mr. President, will the Senator yield to me for a moment?

Mr. PITTMAN. No; not until I finish my answer.

Mr. PEPPER. I have a suggestion to make.

Mr. PITTMAN. I wish to finish the sentence, if I may.

The PRESIDING OFFICER. The Senator from Nevada declines to yield.

Mr. PITTMAN. When I finish the sentence, I will be glad to yield to both Senators. There is no power existing to-day, as I understand, for national banks to absorb branch banks,

and, consequently, when they absorb them they must look to this proposed act; they will not look to any prior acts but will look to this measure.

Mr. GLASS. The existing law permits such absorption.

Mr. PITTMAN. I understand that, but I am dealing with the proposition of consolidating the First National Bank or some other national bank with the Bank of Italy or some similar bank which has a hundred or more branches. They consolidate and look to the first section as to their power, and that provision is merely that the two banks may consolidate. Having consolidated, what do they acquire? Do they acquire simply the bank building in the city of San Francisco or do they acquire the 100 branches in addition?

Mr. PEPPER. Mr. President—

Mr. PITTMAN. Wait a moment. They acquired them under the authority of this section. Then what is the result? Having acquired them by virtue of this section, the general banking act must destroy that situation. What are you going to do with that? How are you going to correct that? The Senator knows how the House dealt with it, does he not? The House dealt with it by an express provision. I can not see why the committee struck it out. That is what I have been trying to find out all the time. I must read once more what the House provided. Here is the provision of the House bill which the committee struck out:

It shall be unlawful for any such consolidated association to retain in operation any branches which may have been established beyond the corporate limits of the city, town, or village in which such consolidated association is located.

Mr. PEPPER. Mr. President—

Mr. PITTMAN. Why does the Senator object to that language?

Mr. PEPPER. Mr. President, the Senator from Nevada has three times admitted that if that language stands it would require the abandonment or relinquishment of branches established in the past.

Mr. PITTMAN. No; I have not admitted that in that way.

Mr. PEPPER. Will the Senator admit it now?

Mr. PITTMAN. I will tell the Senator what I will admit. I will admit that we should leave the House provision there as it stands and add to it, not the first clause, for that means nothing, but the last clause of the committee amendment, which reads as follows:

but branches established by a State bank under such law, regulation, or usage, and heretofore lawfully retained when consolidation was effected with a national banking association may continue to be maintained by such consolidated association.

Of that part of the amendment I approve, and it is not in conflict with the House provision. It is not necessary to strike out the House provision to put that Senate provision in, for the two go together.

Mr. PEPPER. Mr. President, the reason for changing the House provision is to remove all possibility that the effect of enacting this bill will be to render invalid branches established by a consolidated association and now lawfully maintained. That is the reason for not taking the language of the House. With respect to the language suggested by the committee, our thought was that we had safeguarded the situation to accomplish the purpose for which the Senator is contending; but the fact that the Senator thinks we have not done so is to me unanswerable evidence that we have not expressed ourselves clearly. Therefore I am in favor of making a change in our proposal which will be one upon which the Senator and the committee can agree.

I suggest to the Senator, instead of providing as the House does that a consolidated association may not retain branches that it already has, which is a thing that we do not want to bring about, that we take the language, on page 6, and for the language which the Senator thinks is obscure substitute this—

Mr. KING. Mr. President, may I ask the Senator what line he is referring to?

Mr. PEPPER. I am now referring to the language at the top of page 6.

Mr. KING. Commencing on line 1?

Mr. PEPPER. Commencing on line 1, which at present reads, according to the committee amendment:

That it shall be unlawful for any such consolidated association—

And so forth. I am proposing this modification for the Senator's consideration:

That it shall be unlawful for any national banking association hereafter to acquire a branch or branches by consolidation with a State bank, or to retain any branch or branches in any State—



And so forth, and so forth, to the end of the amendment, as proposed by the committee.

Mr. PITTMAN. I think that will accomplish the same thing.

Mr. GLASS. Mr. President, I submit to the Senator from Pennsylvania that if it is necessary to do that it is necessary to take the entire national banking act and make exceptions of that sort to those characters of business that State banks may do and that national banks may not do under the national banking act.

When a national bank absorbs a State bank by consolidation under this bill it is at once confronted by the textual requirements of this act, and one of the textual requirements of this act is that no national bank may establish or maintain a branch except those heretofore obtained by consolidation in any city with less population than 25,000, and so forth. So that if it is necessary to make this exception in this case, it is just as necessary to go through the national bank act and to modify it to conform to those characters of business that State banks may engage in and that national banks may not.

Mr. PEPPER. Mr. President, I venture to think that the Senator from Virginia is unreasonably apprehensive about this suggestion.

Mr. GLASS. I am not apprehensive about it at all. I just think it is unnecessary; but if the Senator thinks it is necessary, why, all right.

Mr. PEPPER. Mr. President, my mind is in harmony with the mind of the Senator from Virginia respecting the meaning of the amendment as reported by the committee, but I find myself faced by the criticism of the Senator from Nevada [Mr. PITTMAN], who sees in the situation something that we do not see. Now, we are not all wise; and it seems to me that the proper thing to do in such an emergency is to agree upon language which will accomplish the purpose of the committee and at the same time meet the criticism of the Senator from Nevada.

Mr. KING. Mr. President—

Mr. PEPPER. I yield to the Senator from Utah.

Mr. KING. I have not seen the amendment just suggested by the Senator from Pennsylvania, and I am not sure that I comprehend its full import; but as I interpret it, it seems to me that it would have the effect of preventing hereafter, in the event of consolidation between a State bank and a national bank, the State bank or the consolidated bank from retaining in any event, either in the municipality or its environs or elsewhere, any of the branch banks with which it might be endowed when the consolidation was effectuated; and I am sure the Senator did not intend to go that far.

Mr. PEPPER. No; I did not, Mr. President; but let me say this: Under the eighth section of this act a national bank will have the undoubted right, subject to the approval of the Comptroller of the Currency, to establish branches within the limits of the city in which it is established. Therefore it does not need the grant of power to retain branches acquired by consolidation.

The suggested amendment would merely cut off the possibility of acquiring branches through the process of future consolidation, and would leave the bank with a right to retain branches acquired from past consolidation, and a right to establish branches within the limits of the municipality and subject to the jurisdiction of the comptroller. But, Mr. President, permit me to make a statement respecting the parliamentary situation.

At the beginning of this discussion I stated that last evening the clerk had reported the first amendment, but that that amendment had not been agreed to or acted upon. I now discover that the first committee amendment was acted upon and was accepted by the Senate last evening. Therefore, strictly speaking, what we have been discussing is applicable to an amendment already acted upon. I wish to say to the Senator from Utah—and I will communicate my thought to the Senator from Nevada, who has for the moment left the Chamber—that if, when we have reached the end of the discussion of the committee amendments, they in their judgment think that some such amendment as I have proposed upon the floor is needed, I shall be glad to move to reconsider the action by which the first amendment was agreed to, and then to allow the other proposal to be put as a substitute for the committee proposal.

Mr. President, I beg leave to inquire whether I am right in my understanding?

The PRESIDING OFFICER. The Chair has been informed that while there is no entry in the CONGRESSIONAL RECORD to that effect the clerks have the record that the amendment was acted on last night.

The Secretary will state the second amendment.

The READING CLERK. On page 9, line 15, after the word "Provided," it is proposed to strike out:

That no such State bank having branches in operation outside of the corporate limits or other such boundaries of the city, town, or village in which such State bank is located, but not including any branch established in a foreign country, or dependency or insular possession of the United States, shall, upon conversion into a national banking association, retain or keep in operation such branches: And provided further, That it shall be lawful for any national banking association having, prior to the approval of this act, acquired branches by virtue of having elected to retain such branches after having been converted from a State bank with branches into a national banking association, or through consolidation with such an association having such branches, to continue to operate any such branches, but it shall be unlawful for any national banking association having been converted into such association under the provisions of section 5154 of the Revised Statutes to retain in operation any branch, wherever located, which may have been established subsequent to the approval of this act, in any state which did not by law or regulation, at the time of the approval of this act, permit State banks or trust companies created by or existing under the laws of such State to have branches.

And to insert:

That it shall be unlawful for any such national banking association to retain any branch or branches in any State which at the time of the approval of this act did not by law, regulation, or usage with official sanction permit State banks or trust companies to have such branches; but branches established by a State bank under such law, regulation, or usage and heretofore lawfully retained when conversion into a national banking association was effected may continue to be maintained by such association.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. KING. Mr. President, when the bill was first brought to the attention of the Senate by the Senator from Pennsylvania, I asked his attention to the paragraph just read, as well as to the provisions of the bill found on page 12, and I asked a question then, and I repeat it: Does the Senator think the discrimination warranted which this amendment, if adopted, will bring about? In other words, is the antipathy toward branch banks so great as to deny to States which may hereafter by law authorize the establishment of branches of State banks the same privileges which are granted under the law to banks in those States where branch banks are now permitted?

Mr. PEPPER. Mr. President, I would answer the Senator in this way: The opposition to the grant of branch-banking powers of any sort is very great. This bill represents what the committee believes to be the limit of concession which can be obtained from those who oppose branch banking on principle. I do not mean that the committee agrees or disagrees with their position, but merely regards their opposition as so formidable to any wider grant of powers than is here made that we think that no bill would have a chance of passing unless it contained some restrictive amendment, such as the amendment known as the Hull amendment, introduced in and favorably acted upon by the House.

Mr. REED of Missouri. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. REED of Missouri. Are we to understand, then, that if the committee did not fear this opposition we might have had a branch bank bill here without any limitation?

Mr. PEPPER. Mr. President, I can not tell what the minds of individual members of the committee may be on that subject, because it was not necessary for us to discuss it; but, speaking for myself, I am opposed to state-wide branch banking. I believe that the limit to which branch banking should be extended is the commercial community within which the parent bank is situated; and if the Senator means to inquire my position, it is as I have stated, in agreement with his own respecting the subject of state-wide branch banking.

Mr. REED of Missouri. The Senator, then, does recognize the principle that there ought to be a geographical limitation to the installation of branch banks. That geographical limitation is the boundaries of the town in which the parent bank is situated. But let me ask the Senator if that is any true limitation? For instance, Greater New York City has a larger effective territory than an entire State, if we should go to some of the less-populous States. It is not a true limitation.

Let us concede, for the sake of illustration, that one bank with its branches should absorb the entire business of New York City. It would control more money, more industries, would have a more far-reaching effect in the Nation than if there were a single bank established, let me say, in the State of Nevada, which, with its branches, controlled the activities of that entire State.



The Senator admits that there must be a territorial limitation upon banks, and the reason for that is the necessity of the limitation of the power and influence of a bank, and when that step is taken, then this bill stands condemned, because it permits the installation in a city like New York of an unlimited number of banks, save as the Comptroller of the Currency may not see fit to grant charters.

Mr. PEPPER. Mr. President, I would say in answer to the Senator's question that I am opposed to branch banking not so much because I apprehend the growth of a banking monopoly by one or a few banks in our great cities, but because I do not think that absentee banking is a wise principle. I personally do not think it is advisable to give to a metropolitan bank the right to establish a branch alongside of and in competition with an up-State bank in a small community, which is serving that community well, and which represents local initiative and local ambition to go forward to financial and industrial success. That is my individual view.

The Senator from Virginia [Mr. GLASS], if I do not mistake him, is of the belief that branch banking, even on a state-wide scale, with reasonable limitations, is scientific banking and highly desirable. But I beg Senators to realize that what we are trying to do in this measure is to take account of an honest and intelligent difference of opinion between the bankers of America on this subject. We are trying to give to national banks, which can get their authority only from the Congress, such a measure of relaxation and privilege in States where they have to compete with State banks that are given by the State law the right to maintain these branch banks, as will go a little in the direction of helping the national banks, but not far enough, as it seems to us, to arouse any of the reasonable apprehensions of those who are opposed to branch banking altogether.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Virginia?

Mr. PEPPER. I yield.

Mr. GLASS. I do not think it important to consume the time which ought to be devoted to the details of this bill in a statement of my position, but since the Senator from Pennsylvania, with more or less accuracy, has stated it for me, I would like to make this elaboration of what he said.

I do not speak in advocacy of state-wide banking. I do not think it is feasible to propose that at this time, if at any time. But, in justice to my general advocacy of well-guarded branch banking, I have repeatedly challenged anybody to show that there has ever appeared before the Committee on Banking and Currency of either House of Congress in opposition to branch banking anybody who wanted to borrow money or wanted credit. The only opposition to branch banking that has ever come to Washington has been from banks which want to monopolize the credits of their own community and banks which actually do contribute every day that they exist to what the Senator has so felicitously referred to as "absentee banking." I venture to say that in the State of Missouri to-day the National City Bank of New York acts as a correspondent bank for more Missouri banks than the Bank of Italy has branches in the State of California. We have scarcely anything but absentee banking under this unit banking system. That is the history of the national-banking system of this country, only partially corrected by the adoption of the Federal reserve banking system. The banks in Virginia and in Missouri and in every other State in this Union take the deposits derived from the business activities of the various commercial communities and shunt them off to the great banks in the money centers, to be used for speculative purposes; and when we enacted the Federal reserve banking act, as the Senator from Missouri well knows, we only succeeded in recapturing the reserves of the country, to be impounded in 12 regional banks, for commercial rather than for speculative purposes. We hoped by that that we were going to break up this system of absentee banking, of sending all of the surplus banking funds to the great money centers to be used for speculative purposes, but we only partially cured the evil. We have this very thing of absentee banking all over this country now, and it would be greatly cured by a moderate establishment of branch banking in the country.

The same objection that is raised to a reasonable degree of branch banking was raised to the adoption of the parcel post. We were told that it would break down every corner grocery and every country store in the United States. Yet I venture to say that anybody who should undertake to secure the repeal of the parcel post law would find his task very difficult.

The plea against branch banking comes from bankers and not from people who transact business, not from people who

want to borrow money, not from people who want to buy credit. It comes from bankers who want to exclude from their peculiar communities anybody else who wants to sell credit.

Mr. PEPPER. Mr. President, I think I owe the Senator from Virginia an apology for having attempted to state his position on this matter.

Mr. GLASS. The Senator did pretty well in stating it as far as he proceeded, and I apologize to the Senate for taking up time to state it further, because it is not important.

Mr. PEPPER. I merely wish to call the attention of the Senator from Missouri to the fact that the bill reported by the committee can not be said to represent either a branch banking interest or an antibranch banking interest. It is an attempt to take account of the difference of opinion that exists, and make the most of it, in the interest of the welfare of the national banks.

Would the Chair think it proper to put the question respecting committee amendments?

The PRESIDING OFFICER. The question is upon agreeing to the committee amendment.

Mr. HEFLIN. Mr. President, we are now considering one of the most important questions that has been before the Congress in a long, long time. Any change in the banking system of our country is a matter of serious concern to the American people. A few years ago, during the Wilson administration, the Federal reserve banking system was adopted, a great system, a system which if honestly administered would absolutely supply all the currency and credit the country needs and prevent at all times financial panics.

In 1920 an innocent-looking amendment was by a Republican Congress fastened onto the Federal reserve act. Only a few Members of the House seemed to realize what dangerous powers that amendment possessed. One or two of them did express the opinion that great harm would come from it. When the amendment reached the Senate there were only two Senators, as I recall, who pointed to it with dread and fear—the Senator from Oklahoma [Mr. OWEN] and the Senator from South Carolina [Mr. SMITH]. They both expressed the fear that if it should be resorted to it would produce a panic. The amendment was adopted, and after Congress had adjourned and the amendment was put into operation by the Federal Reserve Board, it produced widespread business disaster and the worst financial panic in our history.

In 1873, when the act demonetizing silver was passed, as this amendment was by a Republican Congress no Member of the House discovered the dangerous power found later in the phraseology of the provision, under which the panic of 1873 was produced. It was not discovered in the Senate, it is claimed, until after the Congress had adjourned and the big bankers in the big cities proceeded with their plan to demonetize silver and produce a panic.

Mr. President, I cite these two instances in order to invite the attention and arouse the concern of Senators to the importance of the serious question that is now before us. There is no time when Senators should be more keenly alert than when a banking bill is up for consideration. It is unfortunate, but true, that many Members do not really understand the subject.

The effort is being made now by some to give more power to certain bankers. I enjoyed what I heard of the speech made by the Senator from Missouri [Mr. REED]. I thought of the time when one of his predecessors, Thomas H. Benton, a great Democrat of the old days, spoke against the United States banking system. He spoke against it and sought its destruction because it had become so powerful, oppressive, and dangerous. It was in those days that Nicholas Biddle, the bankers' leading lobbyist at the Capitol, told President Jackson that unless he consented to legislation that would give them more power he would use his political pull and power with Congress to prevent the President from passing other legislation affecting the welfare of the American people.

Every few years the effort is made to give more power to the banking interests, to enable them more easily and completely to control the money supply and credits of the Nation. The interests back of measures like that do not care how much we differ upon the tariff. They do not care how much we may differ upon the League of Nations or the World Court. They do not care how we differ upon any and all other questions, but they do not want this question, the money question, discussed. They do not want the masses of the people to understand the money question. A great many men in public life even do not understand how essentially vital it is to the well-being of the people of every State in the Union. Money and credits are to the business of the people what sunshine and rain are to the Nation's growing crops. No man can fell a tree without an



implement with which to do it. No man can plow a field without an implement to turn the soil. No man can make a success of business, I care not what business he is in, without the things necessary with which to do it. The things absolutely necessary in all kinds of business are money and credit.

Then the most important question before us is how to find the best plan possible for Congress to adopt for handling the money supply and credit of the Nation. What can we do so as to make certain that the people in every walk of life may be promptly and constantly supplied at a fair and reasonable interest rate with the currency and credit needed to make a success of their business. Some people have a mistaken idea as to the purpose Congress had in mind when it originally authorized the existence of the bank. The institution of banking was created primarily to serve the financial needs of the American people. But unfortunately some of our largest bankers seem to think that the bank should be operated and currency and credit manipulated so as to enrich the banker without regard to the needs and rights of the people the bank was created to serve.

Unfortunately we have had and still have some distinguished professors in some of our eastern universities who have taught and still teach the doctrine that financial panics must and will come every 10 or 15 years. I have no patience with that false and dangerous doctrine. Mr. President, when a financial panic comes it is usually planned for and deliberately brought about by unscrupulous speculators and conscienceless financiers. There is no occasion or excuse for a money panic except when some great catastrophe comes, some terrible calamity over which a people have no control; but when a panic comes in the ordinary course of things, the plans have been laid for it, the trap has been set, and everything made ready for the big speculators and financial jugglers to rob and plunder the people.

I want to read to the Senate an extraordinary document which has just been given to the public through the press by Prof. Irving Fisher, professor of political economy at Yale University.

Mr. REED of Missouri. Will the Senator from Alabama yield to me?

Mr. HEFLIN. I am glad to yield to the Senator from Missouri.

Mr. REED of Missouri. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Edwards	Ladd	Robinson
Ball	Ferris	Lenroot	Sheppard
Bingham	Fess	McCormick	Shipstead
Borah	Fletcher	McKellar	Shortridge
Brookhart	Frazier	McKinley	Simmons
Broussard	George	McLean	Smith
Bruce	Gerry	McNary	Smoot
Bursum	Glass	Mayfield	Spencer
Butler	Gooding	Metcalf	Sterling
Cameron	Hale	Neely	Swanson
Capper	Harris	Norbeck	Trammell
Caraway	Heflin	Oddie	Wadsworth
Copeland	Howell	Overman	Walsh, Mass.
Couzens	Johnson, Calif.	Pepper	Warren
Cummins	Johnson, Minn.	Philips	Watson
Curtis	Jones, N. Mex.	Pittman	Wheeler
Dale	Jones, Wash.	Ralston	Willis
Dial	Kendrick	Ransdell	
Dill	Keyes	Reed, Mo.	
Edge	King	Reed, Pa.	

The PRESIDENT pro tempore. Seventy-seven Senators have answered to their names. A quorum is present. The Senator from Alabama will proceed.

Mr. HEFLIN. Mr. President, I was about to call attention to an article written by Prof. Irving Fisher, who is professor of political economy at Yale University. The article is entitled:

Price average urged to regulate dollar—Wide fluctuations occur frequently to disturb monetary system—Recent variability brings up question—Alterations between high costs and depression of trade provide problem.

The article appeared in The Washington Post of February 15, 1925. A statement accompanies it which reads as follows:

Many articles have been written for business men, bankers, and economists on the subject of fluctuating prices. The following article differs from these in that it has been written primarily for the workingman. It discusses the effect on the common people of the fluctuating values of the dollar and the resulting alternating periods of "H-C. L." and "depressions of trade."

Dr. Irving Fisher, of Yale University, is and has been for many years an authority on the stabilization of the dollar. He has written this article in a simple, impressive style, clear and full of meaning for the layman.

The article that I have in my hand, accompanied by the statement which I have just read, has been published throughout the country—for some purposes just at this particular time.

And, Mr. President, I want to say just here, before I read any more of the article itself, that it is certainly "full of meaning." Let us see what this eastern professor of political economy suggests as the remedy for rising prices.

The only way to keep prices from rising is to keep the amount of money in circulation from increasing unduly. One way is, if there is more gold one year than there was the year before, instead of making more dollars—

Now listen to this, Senators:

to put more gold into each dollar made. Of course you can not add gold or subtract gold in a gold dollar which is actually circulating from pocket to pocket.

But gold coins seldom do circulate, and need not circulate at all. Their chief business is to lie low in the United States Mint and keep up our confidence in paper dollars, because we know that we can hand in a paper dollar at the mint any time and get a gold dollar in exchange for it.

What needs to be done is to put all gold dollars into the Government vault and melt them all down; and then when a man comes to the mint with a paper dollar to redeem, hand him raw gold—just the amount of raw gold that will buy the usual dollar's worth of goods in the market, whether that amount of raw gold is more or less than it was yesterday.

Senators, is not that a remarkable and astounding statement, that the gold dollar of America, the standard of value, shall be broken and permitted to fluctuate up and down in value according to the price of commodities in the market place? There has never been a suggestion if carried out which would create more confusion, more unsettlement of business, and more financial disorders and panics than that suggestion made by the teacher of political economy at the great Yale University. Listen to this:

The moment a dollar shows that it is getting too valuable because it buys more than usual, the Government would take some of the value from it by taking some of the gold out of it.

What do you think of that, Senators? If his plan should be adopted there would be no such thing as a stable dollar or fixed standard of value in money. The dollar of to-day worth 100 cents might, under his theory, be worth only 85 cents 30 days hence.

Mr. President, if some irresponsible, wild-eyed theorist had advanced a financial theory like that, most sensible men and women would have said he is crazy or that he is trying to create riot and revolution in the monetary system of America. It is absurd and ridiculous. What does it mean? I fear that it is the forerunner of an attempt soon to be made by certain financiers to disturb the fundamental principles of our monetary system. Mark that expression Senators. You will probably hear from it in the next few months—if not, it will be in the next few years—that those by whom this man is being praised, those who inspired this article and had it printed, telling the people that he is a great authority upon the subject, would not vouch for it unless they intended to do something of a revolutionary character.

What have we in this country by which to measure values and various other things? We have 12 inches that make a foot, and 3 feet that make a yard; but here is the professor of Yale University who, if we had an abundance of cloth to measure, because it would take a longer time to measure it than it took in years gone by when the amount of cloth was less, would make the yardstick 4 feet or 4½ feet in length. Then, as the cloth supply became less, he would cut the yard stick down to 2½ feet may be, in order to meet the occasion that might arise in what he regards as an uncertain commercial market.

As my friend, the junior Senator from Florida [Mr. TRAMMELL], suggests, they would slide up and down the ounces in a pound having more ounces some of the time and fewer ounces at other times. They would do the same thing with a loaf of bread. If wheat got scarce, instead of making a luscious loaf sufficient to satisfy a man's appetite, they would reduce the loaf. Then, as the situation changed, and the wheat supply was more abundant, they would increase the size of the loaf. These illustrations are inspired by the suggestions that come from a professor of political economy in the Yale University.

Mr. REED of Missouri. Mr. President—

Mr. HEFLIN. I yield to the Senator from Missouri.

Mr. REED of Missouri. I was going to suggest that if there were a contraction of cloth in proportion to the dearth of ideas,



about what size had does the Senator from Alabama think this professor would be entitled to wear?

Mr. HEFLIN. I think the thimble size would fit his head. [Laughter.]

Oh, Mr. President, this is a most interesting article. When I opened the Washington Post on last Sunday and saw this article, I commenced to glance through it casually, and these statements seemed so ridiculous that I looked up to see who it was that had written such an article, and I confess that I was astounded to find that it was Professor Fisher, of Yale.

Senators, let me read a little more to you from this remarkable statement.

Mr. REED of Missouri. Mr. President, I should like to suggest to the Senator that he ought to be a little moderate in his language, because I understand this gentleman is to-day the chief proponent of the League of Nations in America.

Mr. HEFLIN. Does the Senator refer to Prof. Irving Fisher? Mr. REED of Missouri. Yes.

Mr. HEFLIN. It may be that his disappointment at the failure of the Senate to ratify that great peace proposal has wrecked the poor fellow mentally. [Laughter.]

Mr. BRUCE. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield to the Senator from Maryland.

Mr. BRUCE. Has the Senator any familiarity with Doctor Fisher's general character and ability and training?

Mr. HEFLIN. Yes.

Mr. BRUCE. I have always been under the impression from his works which I have read that he was one of the ablest economists and students of political subjects in the United States.

Mr. HEFLIN. So have I.

Mr. BRUCE. And entertaining that opinion, I felt bound to ask the Senator the question which I did ask him.

Mr. HEFLIN. Let me say to the Senator that at one time I quoted Professor Fisher in the debate which I took part in here when I made the fight against the deflation panic of 1920 and 1921. But when I saw that he had lost his bearings and gone astray and was teaching a strange and untenable doctrine, I said, "How the mighty have fallen!" It is the duty of every State in the Union to see to it that those who teach political economy—for it has to do with that which is the life blood of business, money—are not influenced by that class of financiers who want the people to believe that panics are bound to come and can not be prevented. When they order a panic, so that they can clean up millions and hundreds of millions, they want their helpless victims to feel that the panic just came of its own accord. Now listen to this, Senators:

Everything under the sun, whether it is shoes or salt or money or what money is made of, is bound to get more valuable when it is scarce and less valuable when it is abundant. The reason why money is less valuable now is that money is more abundant now.

Let us see how that theory works out in the common everyday things all about us. I do not think that air is less valuable because there is an abundance of it. Every human being and every fowl and animal that flies and walks must have it in order to live. It is not less valuable because there is such an abundance of it that nobody knows how much there is of it in all the world; but here is a man from Yale University who says that because there is more money now in circulation than there was probably during the panic of four years ago that money is less valuable now.

Mr. President, that is not true. An American dollar worth 100 cents is always worth 100 cents. Its value is not to be measured by the fact that it will buy 1 bushel or 2 bushels of corn. Something may happen to disturb the price of corn; influences may be at work that will withhold currency and credit from the corn grower and impoverish him to such an extent that he has got to throw his product on the market and sell it below the cost of production. That does not in any way, whatever, affect the intrinsic value of the American dollar. So I take issue with these American economists who are trying to lead us off after such false doctrines as that. Would you say, Mr. President, that a yardstick is less valuable and less a standard of measurement because there are hundreds of thousands of yardsticks in existence? Or that the yardstick should be changed—made shorter or longer as the amount of cloth increases or diminishes? A yardstick is 36 inches, whether it is used to measure 3,000 yards or 36,000,000 yards.

Now let us consider further this suggestion in connection with the illustration concerning the air which I used a few moments ago. I presume that Professor Fisher would contend that the more air there is the cheaper it becomes. However, if one drives his automobile up to a pumping station and asks to have his tires inflated when they are flat, is the charge re-

duced any because air is abundant and unlimited? Do we find that to be the case? Not at all. Professor Fisher, however, says that where money is abundant it is less valuable. Air ought to be very cheap; they ought to charge very little to fill up an automobile tire because the air is drawn from the reservoir of space that is unlimited.

Now, Mr. President, let me consider another aspect of the question. Those who are engaged in the business of producing electricity charge for it so much per kilowatt; they have a way of measuring the amount of electricity that is used, whether they have it in abundance or just a small supply of it, there is a meter that measures every kilowatt that goes into your house and mine, and we are made to pay for it so much per kilowatt, whether electricity is in small or large quantity.

What else? We have water meters in our homes and everywhere. It makes no difference whether the water be obtained from a river running near or from an ocean hard by, the meter measures every gallon used by the public, and it is not suggested that because water is abundant that the meter should be changed so that the consumer would get three gallons instead of one.

They want the kilowatt to remain the same; they want the gallon measure and meter to remain the same; but they want to destroy the standing and stability of the American standard dollar in order to enable the big financiers to get all the gold in the country under their control. Just think of the unsound and dangerous suggestion of constantly changing our fixed medium of exchange and long-established standard of value as we know it in the American dollar. And Professor Fisher suggests that we change it according to the price of hay or chickens and eggs in the market place. I believe in a fixed value in money, in a stable standard and I can not agree with Professor Fisher, of Yale. Again he says in this article:

Money consists of many different things. It consists of gold and silver and green paper, and also of what is called credit. Credit means bank checks. Of course these checks are not money, legally speaking, but, economically speaking, they are almost the same as money, and the more of them there are available the less each dollar will buy.

Again the professor is wrong. Mr. President, the amount of merchandise or farm products that a dollar will buy does not depend on what represents the dollar. It depends on conditions in the market place. I can convince any intelligent man in two minutes that if in 1920, when the panic came, the cotton farmers of the South had been furnished the credits, the loans, with which to hold their cotton and refuse to sell, cotton never would have gone below 30 cents a pound, and then the dollar would have performed its function exactly the same as it did when cotton went to 10 cents a pound, but it would not have bought as much cotton as it did when cotton went to 10 cents a pound; and why? Because the farmer was not able to hold his cotton and compel, as he had done, the buyers to pay 30 cents a pound. That was not the dollar's fault. It was the fault of those who withheld the dollar and refused financial aid to the cotton producers, merchants, and bankers of the South. A conspiracy was formed for the purpose of withholding money and beating down the price. Those who wanted to beat down the price of cotton got all the money they wanted, but those who wanted to hold up the price could not get the money needed, and of course the price went down and down.

But, I repeat, that was not the fault of the dollar. That did not change the value of the dollar at all. It was, I am sorry to say, a deplorable condition brought about by the criminal conduct of those who control the money supply and credits of a hundred millions of people. That is the situation. It was not because the dollar had lost its purchasing power in an orderly market in normal times. Market conditions brought about those things. Commodity prices had been so hammered and manipulated that the products in question had been deprived of their former purchasing and debt-paying power. Why has cotton gone back from 10 to 23 and 24 cents a pound? The dollar has not changed; and I hold that it has gone back because there is more money in circulation and money can again be had on cotton at our banks. It went down when there was little in circulation, and I stood on this floor, and other Senators with me, urging the reorganization of the War Finance Corporation; and what was our argument? That it would put into circulation about \$700,000,000, and that that money in circulation, working in the channels of business, would bring up the price of products.

That was our argument, and it did that very thing. Then what is the situation here? We all know from experience that when money is withdrawn, when the circulating medium is contracted, when credits are deflated, markets are dead. And we all know that when money is in circulation, made plentiful



to meet the business needs of all the people, prices are good, and prosperity abounds. If anybody here challenges that proposition, I should like to hear from him. It is as true as Holy Writ, Mr. President. Let me repeat: Whenever money is withdrawn from circulation, whenever credits are deflated wages go down, industries close, and the price of farm products and other products go down and down in price. When money is plentiful, when the volume in circulation is ample, wages are good, industries prosper, and prices are good. Nobody can gainsay that proposition.

I want to warn the Senate that this is the time to be exceedingly careful. I hope and I pray that when this bill shall become a law, as I believe it will, no Senator who supports it will hereafter be embarrassed by having some one say to him that you voted for a measure which is now being used to injuriously affect legitimate business—a measure that is now being invoked to contract the currency and deflate credits and produce a panic.

Mr. President, all students of history know that concentrated wealth in the hands of a few men constituting what is called the money power has been the bane of nearly, if not all, of the governments that have perished.

Mr. President, what is this money power in America? Here is what President Wilson said about it when we had the Federal reserve system under consideration:

It is the mere truth to say that the financial resources of the country are not at the command of those who do not submit to the direction and domination of small groups of capitalists who wish to keep the economic development of the country under their own eye and guidance. The great monopoly in this country is the monopoly of big credits. So long as that exists, our old variety of freedom and individual initiative and development are out of the question. A great industrial nation is controlled by its system of credit. Our system of credit is privately concentrated. The growth of the Nation, therefore, and all our activities, are in the hands of a few men.

Mr. President, here was a great American patriot standing on a mountain top that overlooked his country. He saw conditions as they were. He properly appraised them. He spoke a truth in that statement that found favorable response even in the hearts of a majority of the bankers of America. Privately concentrated wealth was the evil against which he warned us. I may be mistaken but that is what I fear is the dominating note of the bill now pending in the Senate.

Continuing, President Wilson said:

The growth of the Nation, therefore, and all our activities, are in the hands of a few men. An invisible financial empire has been set up above the forms of democracy. We have been dreading all along the time—

Senators, I wish that every man and woman in America could hear this.

when the combined power of high finance would be greater than the power of the Government.

He saw that danger and dared to call attention to it.

Have we come—

He said in the same statement—

to the time when the President of the United States or any man who wishes to be President must doff his cap in the presence of this high finance, and say: "You are our inevitable master, but we will see how we can make the best of it"? We have restricted credit and control of development. We have come to be one of the worst ruled, one of the most completely controlled and dominated governments in the world. We are no longer a government of free opinion; we are no longer a government by conviction and the vote of the majority, but a government by the opinion and duress of a small group of dominant men.

Mr. President, this has been finally the all-important question in all the ages of the past. Paul never spoke more truly than when he said, in his letter to Timothy:

The love of money is the root of all evil.

I referred a moment ago to money, and how those who handle it and work with it all the time and study and plan how best to make the dollar accomplish most—reach the point when their love of the dollar becomes the dominating thing in their lives. The close-fisted dollar-worshipping fellow is not looking out to see whether those dollars which constitute the people's medium of exchange and their measure of value are serving the business needs of the people; and it is the business of the Government, of Congress, to see to it that the currency and credit arrangements of the Nation make it certain at all times

that the energy, enterprise, and industry of the citizen shall receive the currency and credits to which he is entitled.

Let some one may misunderstand me, I do not mean that the Government shall force banks to loan money to worthless individuals. I simply mean that it is incumbent upon the Government to see to it at all times that there is a sufficient volume of money in circulation and that the credit arrangements are amply sufficient at all times to meet the business needs of all the people all the time. If any Senator here questions the soundness of that proposition, I want him to speak out now.

Whose Government is this? It is the Government of the people. What is the duty of the Government? To see to it that a circulating medium is established and maintained, a medium of exchange, a measure of value, which shall be ample to meet the business needs of every man and woman who has energy and assets, as President Wilson put it.

Mr. President, it is not the duty of Congress to turn over to a certain group of big bankers the control of the money supply and credits of the Nation. It is the duty of Congress to move in the opposite direction. The Government favors and honors our bankers when it singles them out and permits them to do this great work of supplying to the people the wherewith that helps to build and which measures the wealth of the greatest Nation of people of the globe. We do not create banks for the purpose of making bankers rich. I believe that a majority of our bankers fully realize their duty to the public in this matter, but we all know that there are bankers who do not seem to have any other thought and purpose in view but to manipulate and control the money supply and credits of the Nation to their own benefit and enrichment. What is the danger here? The danger is of conferring so much power on them that they will be, some day, strong enough to do what Nicholas Biddle threatened to do to Jackson—to defeat him, and defeat his measures, and control Congress. I pray that that day will never come; but, Mr. President, the time to guard against such a thing is now. What is one of the great dangers in this bill? It is the national branch banking system lodged in the very heart of it. Of course they have changed it to some extent. I do not want to deny to any bank a single right and power that it is entitled to possess, but it is my duty to be just and fair to all interests and to protect and safeguard the interests of the people generally. I look upon extensive national branch banking as a great evil and a great danger.

What is the proposition as they state it to us here? They say: "We have cut out national branch banking, except that in the big cities where the big national bank is located it may have a branch bank over here on the right, another one in front, another one on the left, and another one in the rear"—a chain of banks, mighty institutions, all bound together; a concentration of wealth; a concrete, powerful money institution. I am disturbed and alarmed when I think what will be the next step. They will come back later, I fear, and say: "We want to amend the law and enlarge our powers a little." "Oh, no!" we say, "you are simply trying to get up a general national branch banking system." "No," they will say, "we find that we must get out into the county, and we ask you to amend the act confining us and our activities to the county." Before, you will recall, the limits were the limits of the city.

Then it will be the county, and after a while, when they are stronger grown and harder to handle, more powerful in politics, they will say: "We want the limit now to be the boundary lines of the States."

And then I fear that each State—48 of them—will have a national branch banking octopus, with its tentacles reaching out into every county, with their tentacles running out in every direction with one big octopus in New York City, in Wall Street. Then we will have a dollar aristocracy and a moneyed oligarchy that may destroy the liberties of the American people.

God knows I would not hamper or harm a single banker who is conducting a fair and legitimate business. But, as I said before, some bankers are very selfish, closefisted, and cold-blooded. To that peculiar kind there is no music so sweet as the clink of the dollar. They think only of money and dream about money.

I heard a story about the experience of a farmer in the panic of 1921. He went into a bank run by a friend of his and said: "John, I have just got to have \$5,000 or I am ruined." John said: "What is the trouble?" He replied: "Why, the prices of my farm products have gone down below the cost of production. I have no money to hold them off the market. I have got to get some money." The banker said: "I am very sorry,



but we are not lending any money now. We are only taking money in."

Think of that, Senators, an institution established for the purpose of backing the people in whose community they do business, serving their financial needs, helping them to fight their financial battles, were taking away from them the weapons they had to fight with, and were bringing them in and storing them all away behind closed doors in the bank.

The banker said: "We are not letting out any money at all now. We are only taking it in." The man said: "Money is the only thing that will save me. I have always been able to get it here before. What on earth is the matter? You must let me have \$5,000."

The banker's face was as cold as marble. He looked steadily out through the open door into the street. He did not look at the farmer at all. Finally he said to the farmer: "Bill, I have got a glass eye, and I pride myself on the matter of having one made that is so much like my other eye that nobody can tell the difference. My wife has said that if she had not known which eye it was that was out, she could not have told the difference between the two. I want you to look me in the eye, and if you can tell me which one is my glass eye, I am going to lend you the \$5,000."

Bill was all excitement. All he had was at stake and now depended on his ability to locate the glass eye. He said, with tears in his voice: "It is your right eye." The banker said: "That's right. How could you tell?" He said: "It seemed to be more sympathetic." [Laughter.]

Mr. President, that represents a situation frequently found in the common experiences of the people. I think that the time has come when the Government should do something to aid the men who have stuff that is valuable so that it can receive financial help in order to keep it from being sold at a loss in the market place. I mean to supply the banks and require the banks to do their duty to the citizen. There must be some way by which we can compel banking institutions to serve the business needs of their communities. That demand is not unreasonable.

What do we do under the Federal reserve banking system? A bank in New York can put up \$60,000,000 of commercial paper and \$40,000,000 of gold, go to the Federal Reserve Board and have it run a printing press and print them one hundred million dollars in Federal reserve notes, and take them out and use them. They lend them. They charge interest on them. They serve their needs with them, and finally take them back to the Treasury, have them destroyed, and get back their \$60,000,000 of commercial paper and their \$40,000,000 of gold.

There is no provision like that for the man who toils. His grain may rot, his cotton may sell below the cost of production, his hay and his cattle upon the plains perish, and all his produce be ruined, but nobody has written into a banking system, except in the Federal reserve system, a provision to take care of him. Who wrote the provision in the Federal reserve system that looks after him? Democrats, when in power. The provision was approved by President Wilson, and as long as that system was honestly administered the farmer got money on his grain, the farmer in the South got money on his cotton, the farmer on the plain got money on his cattle, and we had an era of prosperity the like of which this country has never seen. The bankers of the South knew that they could get the money needed and they backed the cotton farmer and cotton merchant. What was it that changed the situation? That innocent-looking amendment to the Federal reserve act when invoked by Governor Harding and the Federal Reserve Board brought on a panic, they ceased to let the farmer have money on his cotton, on his grain, on his cattle; and what happened? He lost his cotton, grain, and cattle. The farmers are impoverished now, and thousands of them can not pay their fertilizer bills and taxes.

Mr. President, it is nothing short of a crime that the big financiers of America are able to bring on a panic at a stated time, and drive more than half the population to their knees, strip them of their substance, give them 10 or 12 years in which to get back on their feet again, and then drive them to their knees again, in order that the money lords of Wall Street may prosper and revel in luxury and evil doing.

Mr. President, we all know what happens when outside dangers threaten our country. What do we do when the clouds of war hang on the horizon and a foreign enemy seeks to invade our land? We go into the homes of the people. We command their sons to come forth. We put guns on their shoulders, uniforms on their backs, and compel them to battle with the enemy until the victory is won.

What do we do with regard to money, that which is the lifeblood of the people's business? Money is the only thing that can fight the people's battle in a panic, and yet we permit it to tuck its tail and run when even an economic enemy appears on the scene, and we leave the people, the sovereign citizens of the various States, helpless in the market place, without a weapon with which to fight. Such a thing is cowardly, contemptible, and criminal. Mr. President, the Senator from South Carolina, Mr. SMITH, has a bill on this subject, some of the provisions of which should be enacted into law. They would be helpful to the people of the South and West.

I want to say this in conclusion, that I am the friend of every patriotic and honest banker in America. I believe in sound money. I believe in having sound financial institutions. I want every banker in the country to prosper. I bid them Godspeed on every field of honest and legitimate endeavor. But I owe a duty to myself, to my people, to the people of the country, to sound a note of warning when I feel that it should be sounded at a time like this. Senators, beware! Beware! I fear that when once you start out on this road of national branch banking, the day will come when we will cry out that it is too late now to protest. Let us keep a righteous and just control of these great institutions in the interest of all the people. Let us say, "Money is a thing to which the masses of the people are entitled, to enable them to carry on their daily work, to conduct their business to a successful conclusion, and we do not intend that you, by governmental sanction, shall so manipulate the currency and credit of the Nation as to enrich yourselves, to the hurt, injury, and impoverishment of the masses of the American people."

I want the banker to do well and prosper, and at the same time I want him to serve the business needs of the American people so that they will have at all times the currency and credit needed to make a success of their business.

#### LIBERTY BONDS

Mr. President, in conclusion I want to say, that during the World War when we were urging the people to buy bonds in order to win the war, the agents of the Government and the bankers said: These Government bonds are as good as gold; they will always be worth 100 cents on the dollar; if you should have occasion to borrow money from a bank, you can get it on your bonds when all other collateral fails. But when the war was over and certain American money lords and big speculators brought on the financial panic of 1920 and 1921, loans on Government bonds were denied; these bonds in the banks were declared to be "frozen assets" and tens of thousands of those who bought bonds from purely patriotic motives were forced to sell them for \$80 and \$85 on the hundred.

On the other hand "whisky" certificates or warehouse receipts were declared to be "liquid assets," and those who held them got the money they wanted. In other words, a warehouse receipt for whisky stored away in a Government building received recognition at certain banks and obtained the money their owners desired, while Government bonds in the hands of patriotic citizens, and backed by the honor of the Nation and three hundred billions of wealth, were denied recognition for borrowing purposes—declared to be frozen assets, and the situation thus produced was so embarrassing, distressing, and desperate that thousands of these bonds were forced upon the market and sacrificed by their owners at a loss of from \$15 to \$20 on the hundred. Can any one justify such a stupendous outrage and national crime as that?

The truth is, these bonds were regarded as "liquid assets" in the principal cities of the East, and held to be "frozen assets" in portions of the North and throughout the South and West.

Senators, such conduct is not only inexcusable, but it is criminal. If those in charge of the Government sanction such as that and permit it to be done in the name of the Government, are you surprised that loyal, patriotic citizens are beginning to fear that a great enemy is entrenched in the strongholds of the Government and that the citizen has become an object of prey for his greed?

Senators, such as this is fuel upon the flames of socialism and anarchy. No one here should want to do the thing that will shake or weaken the faith of the citizen in his Government. We should strive always to do the things that will inspire his confidence in and increase his devotion for his country.

Mr. COPELAND. Mr. President, I suppose there is no more amusing spectacle to a countryman than to see a man from the city on the farm. He is afraid of the cows, of the horses, of the pigs, of all the animals about the place. The farmer has become accustomed to these animals and is not frightened



by them. I suppose since I have lived in New York I have become so accustomed to the appearance of the octopus and have so many times stepped over his tentacles as they have extended up Broadway and down Fifth Avenue that I have lost my fear of the beast.

My colleague from Alabama has spoken about the Federal reserve. He has spoken of what it has accomplished for this country, and as a fellow Democrat he has taken pride in the fact that it is a product of the Democratic Party. But I want to remind my friend from Alabama that without the aid of the "octopus," without the assistance of these great national banks, it would not be possible for the Federal reserve to operate.

Mr. HEFLIN. Mr. President, I am sure my friend does not mean to try to put me in the attitude of being opposed to large banks. I said I was the friend of every banking institution that was doing an honest and a legitimate business, but that I thought they were created to serve the needs of the public, and not created for the purpose of enriching themselves. Does the Senator disagree with me on that?

Mr. COPELAND. No; I do not fully disagree with my friend on that matter. I have observed many bankers who seemed to me to have two glass eyes, absolutely lacking in sympathetic glint or favorable glance, but I will state the situation as regards the great banks in New York City. One who is unfamiliar with the growth of New York can have no conception of how that city has traveled, from the Battery up past Wall Street, up to Fourteenth Street, to Central Park, and beyond Central Park to the Harlem River, and up miles and miles, 30 miles from the Battery.

I wish my friend from Alabama would bear witness to the fact that the parent of all these great banks, the really sinful father of all the octopi, lived in Philadelphia, and the Senator having the bill in charge must defend Biddle and the United States bank.

These great banking institutions have tremendous banking houses, enormous marble monuments, which were built with money taken away from the people. I do not doubt that; I agree fully with my colleague from Alabama in that matter. Nevertheless, these institutions were built. Now there has arisen—and I want every Senator to know this—a physical condition, the growth of the city away from Wall Street, the growth of the city away from these great banking palaces. The result is that business now is so remote from Wall Street that these great banking institutions find themselves declining in their financial power, and in our State banks with the privilege of establishing branches are springing up. These branch banks are found in Fourteenth Street, in Twenty-third Street, in Thirty-second Street, and in Forty-second Street. They are found everywhere in the city and they are getting the business. What will be the ultimate result of that? The ultimate result will be, if this bill is not passed, that the national banks in our city, these banks which are now the very backbone of the Federal reserve system, will give up their national bank charters and will take out State charters, in order that they may have branch banks where they can do business.

I want to say for myself that the reason why I favor the bill is not because of any fear I have of what may result by renewed strength and virility on the part of the octopus. I favor it because I can see that if we do not pass the bill and permit the national banks to have branches, they are going to give up their charters as national banks and become State banks, and then the Federal reserve system referred to by my colleague from Alabama must go out of business for want of support. I want to see placed about the banking system safeguards to make sure that it is not going to entangle us in any sort of financial operations to the disadvantage of the country, but I am convinced that we must take this action in order to preserve the Federal reserve system itself.

Mr. SMITH. Mr. President, may I ask the Senator a question?

Mr. COPELAND. I yield to the Senator from South Carolina.

Mr. SMITH. Can not the State banks, by a very simple process, become members of the Federal reserve system without being nationalized, and get all of the benefits of that system?

Mr. COPELAND. Yes; voluntary members, but suppose we take away the power of insisting that the national banks shall be members of the Federal reserve system, what is going to become of the Federal reserve system then?

Mr. SMITH. It will be supported by the membership of those which join.

Mr. COPELAND. The voluntary members.

Mr. SMITH. The national banks were made automatically members of the Federal reserve system, because the Federal reserve system being a national institution and the national banks being under national law, we thought it wise to have them connected directly with it as supporting institutions. We could not force State institutions into the system, but we gave them the optional right to come in or stay out. If there is no great benefit growing out of the Federal reserve system, surely every State bank will stay out. If there is great benefit to come from that system, every State bank will come in.

Mr. COPELAND. I want to ask my friend from South Carolina if he would be willing to have taken away the necessity and obligation on the part of the national banks to become members of the system?

Mr. SMITH. No; I do not think I would.

Mr. COPELAND. That is exactly what would happen if the national banks took out State charters. Their membership then in the Federal reserve system would be a purely voluntary act on their part. There would be no guaranty of the perpetuity of the Federal reserve system.

Mr. REED of Missouri and Mr. HEFLIN addressed the Chair. The PRESIDENT pro tempore. Does the Senator from New York yield, and, if so, to whom?

Mr. COPELAND. I yield first to the Senator from Missouri.

Mr. REED of Missouri. Does not the Senator know it is purely voluntary for a national bank to belong to the Federal reserve system now? They can take out State charters and go out of the system.

Mr. COPELAND. I know that, if they are willing to give up their national charters.

Mr. REED of Missouri. Does not the Senator know that that was the condition when the Federal reserve system was organized, and that the national banks could have gone into the State system then?

Mr. COPELAND. And that is true now. The statement I made is that unless we make it possible for national banks to do branch banking in a city like mine and in a city like that from which the Senator from Missouri comes they will be compelled for self-preservation to take out State charters and no longer be obligated to have their part in the Federal reserve system.

Mr. REED of Missouri. Does not the Senator know that the national banks always have been denied the right to have branches and that the State banks in many States always had the right to have branches, and yet the national banks have been organized and existing all that time in those States?

Mr. COPELAND. Conditions have changed. I will say to the Senator that my particular interest in the bill lies in the fact that in my city, if the national banks are not permitted to establish branches, they are almost with one accord in the region south of Forty-second Street going to take out State charters and abandon their charters as national banks. The Senator must not forget that changing conditions in the economic world bring new banking conditions.

Mr. REED of Missouri. On what authority does the Senator make that statement? I have heard banks make statements of that kind and I have seen them stay in the system. Can the Senator name some bank that is going to do that?

Mr. COPELAND. Of course I may say to the Senator that I have no affidavits, bankers have not supplied me with any bond to this effect, but I have been approached by at least a dozen bank presidents, presidents of national banks in my city, who have made that statement to me. Furthermore, I have the testimony of certain national banks up town in New York City who have no direct personal interest in the proposition and who give me the same testimony.

Mr. REED of Missouri. Could the Senator tell me how long there has been a branch State bank in New York?

Mr. COPELAND. No, I do not know just how long.

Mr. REED of Missouri. It has been many years, has it not?

Mr. COPELAND. Yes.

Mr. REED of Missouri. What is the reason for this sudden change of heart on the part of the national banks?

Mr. COPELAND. If the Senator had been in the Chamber a little while ago he would have understood what the reason is. I spoke about the growth of our city, the tremendous growth of business to the north of Wall Street. If the Senator has been recently in New York, and I have seen him there on occasions, he realizes that where a few years ago Fourteenth Street was the chief retail street of our city, that district has moved up to Twenty-third Street, then to Thirtieth Street, then to Forty-second Street, and Fifty-ninth Street, and now is rapidly going up Fifth Avenue. The growth of business away from the old financial center of the city has placed upon



the national banks the necessity, if they are going to hold their business, of having branch banks uptown. That is the reason.

Mr. REED of Missouri. Are there some national banks up town now?

Mr. COPELAND. A few; yes.

Mr. REED of Missouri. Are they not reasonably supplying the needs of the people?

Mr. COPELAND. No; besides there are rivalries in banking. Probably the down-town banks want to retain their business. I suppose that is the thought the Senator has in mind.

Mr. REED of Missouri. Does the Senator think it would be a good thing for New York to have three or four banks with a lot of branches, and that it would be better than to have a large number of banks independent in character?

Mr. COPELAND. I think that New York would prosper and would welcome and be benefited by the privilege on the part of these national banks in existence in the financial centers of having branches uptown. I doubt, too, if the business will ever be done by three or four banks; more likely it will be three or four hundred in my city.

Mr. REED of Missouri. I would like to ask the Senator one further question. Does he think we ought to change the whole banking system of the United States in order to accommodate a few banks down in the Wall Street district?

Mr. COPELAND. I have no doubt that other Senators have other reasons for voting for the bill, but the particular reason I have is the one I have given. I feel from the standpoint of New York City and of the tremendous banking institutions there, institutions which are depended upon and leaned upon by business throughout the country, that it would be advantageous to the country if they were permitted to have branches, and for that reason I favor the bill proposed by the committee.

Mr. HEFLIN. Mr. President, some of the reasons given by the Senator from New York are the very reasons why I am opposed to the very banks which operate in New York. Of course, the Senator comes from New York and he feels called upon to defend the institutions of his city.

Mr. COPELAND. I would like to say to my friend from Alabama that all those men vote the Republican ticket. They do not mean anything to me politically.

Mr. HEFLIN. There is a combination of influences and forces in New York City that operates upon all the other sections of the country. In 1920 in the month of November two or three banks in New York City got \$250,000,000 from the Federal reserve system, and that was three or four times as much as the amount supplied to all the Federal reserve banks in the system in the other 47 States. I am fighting that system that obtains in New York. If the Senator from New York feels called upon to defend it, he is at liberty to do so.

We know that whenever a panic breaks it is hatched out in New York City. This time it was aided by financiers in Chicago. The two operated together. With certain big financiers in London they laid the plans and worked the whole thing out, and brought it upon this country under an innocent amendment to the Federal reserve act. I fought that thing for two years. I exposed the whole diabolical thing. I introduced a bill to repeal that amendment and it was passed by the Senate, passed by the House, and approved by the President.

I think the Federal reserve act standing alone, if compelled to be operated honestly and fairly, is good enough of itself without any more power being given to the bankers of the country. I fear that there is cloaked in the bill somewhere a provision that will cut into the side of the Federal reserve system. We are going to have a conflict between the State banks and the national banks operating under the new bill, and the Federal reserve system, and I do not know what the result may be. I fear that there is a covert effort somewhere to destroy the Federal reserve system.

I should hate to see it destroyed, because under the powers of the law creating the Federal reserve system there is a provision which authorizes the Federal Reserve Board to compel 11 of the banks of the system, there being 12 of them in number, to go to the rescue of the other one bank to prevent a panic and tide it over and save the business of the community where that bank is located. That is the purpose of a banking system, and a proposition that destroys that power is a proposition that will destroy the liberties of the American people.

Mr. President, I want to sound this note of warning once more. Senators can not be too careful about what they are writing into law. The Senator from Nevada [Mr. PITTMAN] pointed out conflicting provisions this afternoon that no one else had discovered. A bill like this is often written by some of the shrewdest minds that ever wielded a pen, written for the purpose sometimes of confusing the average man, the man

unacquainted with banking technique who will not discover what the powers are given until they are in the law and Congress has adjourned, and if the bankers then want to invoke it sometime they can do it and strike down the currency and credit arrangement of the country. Senators, beware!

Mr. REED of Missouri. Mr. President, gradually we are getting a little light. The very frank statement of the Senator from New York [Mr. COPELAND] that he was for the bill because the banks south of Forty-second Street in New York City wanted to establish branches uptown helps to illuminate the situation.

It means, of course, that large banks, not content with the natural advantage of their location, want to spread out into a territory where independent banks might be established or where independent banks have been established, and to absorb to themselves the business which might be done by the independent institutions. That is my objection to this bill. Pass it, and in every one of the 22 States where there are cities of any importance two or three large banks will establish branches in the vicinity of the smaller independent institutions and so sap their vitality as to put them out of existence. That is the purpose of this bill and, of course, every big banker in the country is for it.

I am not against the bill because big bankers are for it, but I am against it because I believe in a democratic form of banking. I believe it is better for this country, better for the various municipalities, that there shall be a large number of independent banks than that there shall be one or two powerful institutions with a large number of branches. This, in my judgment, is the most important bill that we have had before Congress in a great length of time.

There are two lines of thought touching the matter of banking. One line of thought is that there should be one great central bank in the country, that it should have many branches, and thus ramify and cover the entire land. It is argued in favor of that idea that such a bank is so strong, and has such an immense concentration of wealth under its command, that it can better serve the country, and that its stability is very greatly enhanced; but, Mr. President, it was determined in this country in the days of Jackson that such an institution, whatever its advantages, had so many disadvantages that it was an intolerable thing in a republic.

As I said on yesterday, and as has been said here to-day by other Senators, the National Bank of the United States became so powerful that it dominated the industrial development and the commercial activities of the Nation, and it finally became so arrogant as to assert its ability to control even in the matter of the election of Presidents. That bank was dissolved, as it ought to have been dissolved. We operated then, as every one knows—and I state it merely as a matter of sequence—for many years with a banking system under which the national banks were permitted to have no branches whatever; but it was found that in case of a sudden and unusual demand for money there was no way to secure the necessary currency to meet an emergency. So the Federal reserve system was organized.

When the Federal reserve system was being organized there were those who insisted that there should be but one Federal reserve bank, advancing in favor of their conception substantially the same arguments for the central Federal reserve bank as had been advanced in years past in favor of the old central national bank; but Congress determined upon the creation of a system that had some element of distribution in it. The President of the United States insisted that this country should be divided into zones, into 12 districts, arguing that by the creation of a bank in each of those districts the money of each district would largely remain within the district and not be sent to New York, where it would be subject to the fluctuations of the New York market and to the command of a few great financiers of that city.

No one rendered more valiant service in the creation of that system and no one stood more firmly in favor of the 12-bank plan than did the distinguished Senator from Virginia [Mr. GLASS]. He insisted then, both in committee and upon the floor of the Senate, that the division of the country into 12 districts was essential to the accomplishment of the design to create new centers of finance and to retain within the sections of the country where the money was produced the control of the money there produced. Those banks were not branch banks; they were Federal reserve banks, and each of them was absolutely independent of the others save and except that in case of disaster they could be required to come to each other's aid, but that required in turn the action of the Federal Reserve Board appointed by the President.

Mr. COPELAND. Mr. President—



Mr. REED of Missouri. Mr. President, will the Senator pardon me for just a second, and I will then yield to him?

Mr. COPELAND. Very well.

Mr. REED of Missouri. The Senator from Virginia to-day said upon the floor that the object sought to be attained had only been partially accomplished; that still our country was suffering under the disability that formerly existed, but not to the same extent, by which he meant that still large sums of money, instead of being held in the Federal reserve banks, gravitated to New York, and that the system in that respect had not worked as perfectly as it had been anticipated originally it might work. That, however, affords an additional reason why the law of concentration should not be applied to the banking system.

It is a strange spectacle, in my judgment, to find men who insisted upon the creation of independent Federal reserve banks for the purpose of keeping the reserves and surpluses and accumulations within the respective districts which had contributed those several funds and who talked about the democratization of the banking business now join in an attempt which means the creation in every municipality of this country of a financial trust. We have been inveighing for years against trusts and monopolies. We have been telling the people, notwithstanding any economic advantages which might result from great industrial combinations, that the evil of their creation was a thing to be abhorred in a republic and to be feared by every lover of liberty.

What, pray, was an industrial trust? It consisted almost invariably of some one institution combining with a large number of other institutions having for their object the fixation of prices or the regulation of the supply of a particular commodity. For a quarter of a century we have struggled to destroy the trusts and have only partially succeeded.

Now, let me repeat, what the antitrust laws were aimed at was the combination of various corporations engaged in the same line of endeavor, so as to bring them under one management and thereby enable that management to fix the prices, or, if the combination was not so complete, to agree between themselves upon the fixation of prices or upon the amount of goods to be furnished the public. That is what we have declared to be an abomination and to be destructive of individual enterprise and of freedom in the markets of the country. Now, it is proposed to enact a law which will not only make possible but will invite the creation in every city of this country of a financial trust that will control, at least in that community, by providing that there may be one central institution and that it may have its branches in every part of a city, and thus by its power and its rivalry destroy the independent banks of that city.

Mr. CURTIS. Mr. President, would it be agreeable to the Senator to conclude his remarks, so that we may have an executive session before the hour fixed for adjournment?

Mr. REED of Missouri. I am ready to conclude right now.

Mr. CURTIS. I thank the Senator.

#### HELIUM GAS

Mr. WADSWORTH. Mr. President—

Mr. CURTIS. I yield to the Senator from New York.

Mr. WADSWORTH. If there is no objection, I ask that a certain conference report on the so-called helium gas bill may be laid before the Senate.

Mr. CURTIS. Is there any contest over it?

Mr. WADSWORTH. It is a unanimous report and a complete agreement.

Mr. REED of Missouri. What does it provide?

Mr. WADSWORTH. It is a bill which provides for the conservation of the national supply of helium so necessary for the proper equipment of the Air Services of the Army and Navy, and confides the task to the Department of the Interior.

Mr. KING. Does it give power to the Bureau of Mines to go into the mining business? There was an objection urged, may I say to the Senator, by the Senator from Massachusetts [Mr. WALSH], and I shared in the objection which he had to the bill.

Mr. WADSWORTH. That was not the nature of his objection, as I understand, but whatever it was he has withdrawn it. I have seen him twice to-day.

Mr. COPELAND. Mr. President, if my colleague will permit me, I rose to make a similar inquiry. I knew that the Senator from Massachusetts had some objection to the bill.

Mr. WADSWORTH. I assure the Senate that I have seen the Senator from Massachusetts and he has authorized me to say that he will not interpose an objection to the adoption of the conference report.

Mr. KING. Will the Senator from New York feel aggrieved if I ask, in order that we may look into it, that it go over until

to-morrow morning? I will join with him in giving it the right of way upon the calendar at that time if I can.

Mr. WADSWORTH. I shall not feel aggrieved, but, of course, the bill was completely explained in the presence of the Senator from Utah when it passed the Senate, and it has not been changed in the slightest degree since. It passed this body unanimously after an amendment had been agreed to, proposed by the Senator from Nevada, who saw some danger, and I think justly so, in one feature of the bill which seemed to be rather sweeping. That was eliminated, and everybody was unanimous in the whole thing, and so far as I know there is no objection to it.

Mr. KING. I do not want to make any apology for failure to apprehend the full scope of the bill when it was under consideration; but my attention has been called to the matter by a number of persons who feel that it is creating too much authority in the Bureau of Mines, and giving to them the power to establish plants, and go into the mining business, the result of which no one can anticipate; and it is feared that it will fasten more effectively a sort of bureaucratic system upon us. I have not had time to examine it fully. I do not want to delay the passage of this measure, or to retard the consideration of the report. I should be very much indebted to the Senator if he could permit it to go over until to-morrow morning.

Mr. WADSWORTH. My understanding is that the Senate is to adjourn to-night.

Mr. CURTIS. There is an agreement that we shall adjourn.

Mr. WADSWORTH. Until what hour?

Mr. CURTIS. Eleven o'clock.

The PRESIDENT pro tempore. Does the Senator from New York desire the report to be laid before the Senate?

Mr. HEFLIN. Mr. President, I rose for the purpose of asking the Senator if he had accepted the amendment of the Senator from Nevada.

Mr. WADSWORTH. Oh, yes; that was accepted in the Senate, and the House conferees accepted it, and the report is unanimous.

Mr. President, I merely want to be assured—I do not suppose any one Senator can give me that assurance—that I shall have an opportunity to get consideration for the report to-morrow morning.

Mr. CURTIS. There will be an adjournment, so that there will be two hours for morning business in the morning.

Mr. KING. I am sure I shall aid the Senator in every possible way, but I should esteem it a very great favor if the Senator would let the report go over until to-morrow morning.

Mr. WADSWORTH. Then I will seek consideration of this conference report to-morrow morning.

Mr. CURTIS. Why not have it printed, so that Senators may see it in the morning?

Mr. WADSWORTH. Very well. May it be printed in the RECORD?

The PRESIDENT pro tempore. The rule of the Senate provides that the presentation of a conference report is in order at any time, and that if the question of its consideration be raised it shall be immediately put, and decided without debate.

Mr. WADSWORTH. We have already violated the rule, in that we have debated its consideration. I shall not press it at this time, Mr. President, but I do ask that it be printed in the RECORD.

The PRESIDENT pro tempore. The Chair is advised that it was printed in the RECORD two or three days ago.

Mr. WADSWORTH. Very well.

#### INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. SMOOT. I submit the conference report on the Interior Department appropriation bill. I do not ask for the immediate consideration of the report, but I desire to give notice that I shall try to call it up to-morrow.

Mr. KING. I suppose it will be printed.

Mr. SMOOT. Yes; just as other conference reports are always printed in the RECORD.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10020) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1926, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:



That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 15, 23, 31, 36, 45, and 49.

That the House recede from its disagreement to the amendments of the Senate numbered 11, 12, 13, 16, 17, 19, 20, 21, 22, 24, 25, 29, 39, 40, 41, 42, 46, 47, and 48, and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment insert the following: "not to exceed \$2,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "\$35,000, of which \$10,000 shall be available only for the completion of the Taber feed canal"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Provided, That no part of this appropriation shall be used for construction purposes until a contract or contracts in form approved by the Secretary of the Interior shall have been made with an irrigation district or with irrigation districts organized under State law, providing for payment by the district or districts as hereinafter provided. The Secretary of the Interior shall by public notice announce the date when water is available under the project: *Provided further*, That no part of the sum hereby appropriated shall be expended for the construction of new canals or for the extension of the present canal system for the irrigation of lands outside of the 40,000 acres for the irrigation of which a canal system is now provided until a contract or contracts shall have been executed between the United States and the State of Montana, whereby the State shall assume the duty and responsibility of promoting the development and settlement of the project after completion, securing, selecting, and financing of settlers to enable the purchase of the required livestock, equipment, and supplies and the improvement of the lands to render them habitable and productive. The State shall provide the funds necessary for this purpose and shall conduct operations in a manner satisfactory to the Secretary of the Interior: *Provided further*, That the operation and maintenance charges on account of land in this project shall be paid annually in advance not later than March 1, no charge being made for operation and maintenance for the first year after said public notice. It shall be the duty of the Secretary of the Interior to give such public notice when water is actually available for such lands"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment insert the following: "to remain available until December 31, 1925"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Provided further, That no part of this appropriation shall be used for construction purposes until a contract or contracts in form approved by the Secretary of the Interior shall have been made with an irrigation district or with irrigation districts organized under State law, or water users' association or associations, providing for payment by the district or districts, or water users' association or associations, as hereinafter provided: *Provided further*, That the operation and maintenance charges on account of land in this project shall be paid annually in advance not later than March 1, no charge being made for operation and maintenance for the first year after said public notice. It shall be the duty of the Secretary of the Interior to give such public notice when water is actually available for such lands"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows: "Provided, That no part of this appropriation shall be used for construction purposes until a contract or contracts in form approved by the Secretary of the Interior shall have been made with an irrigation district or with irrigation districts organized under State law providing for payment by the district or districts as hereinafter provided. The Secretary

of the Interior shall by public notice announce the date when water is available under the project: *Provided further*, That no part of the sum provided for herein shall be expended for construction on account of any lands in private ownership until an appropriate repayment contract, in form approved by the Secretary of the Interior, shall have been properly executed by a district organized under State law, embracing the lands in public or private ownership irrigable under the project, and the execution thereof shall have been confirmed by decree of a court of competent jurisdiction, which contract, among other things, shall contain a provision for an appraisal, showing the present actual bona fide value of all such irrigable lands fixed without reference to the proposed construction of said Kittitas division, and shall provide that until one-half the construction charges against said lands shall have been fully paid no sale of any such lands shall be valid unless and until the purchase price involved in such sale is approved by the Secretary of the Interior, and shall also provide that upon proof of fraudulent representation as to the true consideration involved in any such sale the Secretary of the Interior is authorized to cancel the water right attaching to the land involved in such fraudulent sale; and all public lands irrigable under the project shall be entered subject to the conditions of this section which shall be applicable thereto: *Provided further*, That no part of the sum hereby appropriated shall be expended for construction until a contract or contracts shall have been executed between the United States and the State of Washington pursuant to its land settlement act embodied in chapter 188, Laws of 1919, as amended by chapter 90, Laws of 1921, and by chapters 34 and 112, Laws of 1923, or additional enactments, if necessary, whereby the State shall assume the duty and responsibility of promoting the development and settlement of the project after completion, including the subdivision of lands held in private ownership by any individual in excess of 160 irrigable acres, the securing, selection, and financing of settlers to enable the purchase of the required livestock, equipment, and supplies, and the improvement of the lands to render them habitable and productive. The State shall provide the funds necessary for this purpose and shall conduct operations in a manner satisfactory to the Secretary of the Interior: *Provided further*, That the operation and maintenance charges on account of land in this project shall be paid annually in advance not later than March 1, no charge being made for operation and maintenance for the first year after said public notice. It shall be the duty of the Secretary of the Interior to give such public notice when water is actually available for such lands"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: In line 10 of the matter inserted by said amendment strike out the words "until used"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 27, 30, 34, 37, 38, 43, 44, and 50.

REED SMOOT,  
CHARLES CURTIS,  
WM. J. HARRIS,

*Managers on the part of the Senate.*

LOUIS C. CRAMTON,  
FRANK MURPHY,  
C. D. CARTER,

*Managers on the part of the House.*

#### POSTAL SALARIES AND POSTAL RATES—CONFERENCE REPORT (S. DOC. NO. 209)

Mr. MOSES. Mr. President, I present the conference report on the postal salaries and rates bill, and ask that it be printed and lie on the table.

There being no objection, the report was ordered to be printed and lie on the table, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 11444) reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the Senate amendment, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by said amendment insert the following:



"TITLE I.—RECLASSIFICATION OF SALARIES OF POSTAL EMPLOYEES

"SECTION 1. That on and after January 1, 1925, postmasters and employees of the Postal Service shall be reclassified and their salaries and compensation readjusted, except as otherwise provided as follows:

"CLASSIFICATION OF POSTMASTERS

"That postmasters shall be divided into four classes, as follows:

"The first class shall embrace all those whose annual salaries are \$3,200 or more.

"The second class shall embrace all those whose annual salaries are less than \$3,200, but not less than \$2,400.

"The third class shall embrace all those whose annual salaries are less than \$2,400, but not less than \$1,100.

"The fourth class shall embrace all postmasters whose annual compensation amounts to less than \$1,100, exclusive of commissions on money orders issued.

"RECLASSIFICATION OF POSTAL SALARIES

"The respective compensation of postmasters of the first, second, and third classes shall be annual salaries, graded in even hundreds of dollars, and payable in semimonthly payments to be ascertained and fixed by the Postmaster General from their respective quarterly returns to the General Accounting Office, or copies of duplicates thereof to the First Assistant Postmaster General, for the calendar year immediately preceding the adjustment, based on gross postal receipts at the following rates, namely:

"First class.—\$40,000, but less than \$50,000, \$3,200; \$50,000, but less than \$60,000, \$3,300; \$60,000, but less than \$75,000, \$3,400; \$75,000, but less than \$90,000, \$3,500; \$90,000, but less than \$120,000, \$3,600; \$120,000, but less than \$150,000, \$3,700; \$150,000, but less than \$200,000, \$3,800; \$200,000, but less than \$250,000, \$3,900; \$250,000, but less than \$300,000, \$4,000; \$300,000, but less than \$400,000, \$4,200; \$400,000, but less than \$500,000, \$4,500; \$500,000, but less than \$600,000, \$5,000; \$600,000, but less than \$7,000,000, \$6,000; \$7,000,000 and upward, \$8,000.

"Second class.—\$8,000, but less than \$12,000, \$2,400; \$12,000, but less than \$15,000, \$2,500; \$15,000, but less than \$18,000, \$2,600; \$18,000, but less than \$22,000, \$2,700; \$22,000, but less than \$27,000, \$2,800; \$27,000, but less than \$33,000, \$2,900; \$33,000, but less than \$40,000, \$3,000.

"Third class.—\$1,500, but less than \$1,600, \$1,100; \$1,600, but less than \$1,700, \$1,200; \$1,700, but less than \$1,900, \$1,300; \$1,900, but less than \$2,100, \$1,400; \$2,100, but less than \$2,400, \$1,500; \$2,400, but less than \$2,700, \$1,600; \$2,700, but less than \$3,000, \$1,700; \$3,000, but less than \$3,500, \$1,800; \$3,500, but less than \$4,200, \$1,900; \$4,200, but less than \$5,000, \$2,000; \$5,000, but less than \$6,000, \$2,100; \$6,000, but less than \$7,000, \$2,200; \$7,000, but less than \$8,000, \$2,300: *Provided*, That when the gross postal receipts of a post office of the third class for each of two consecutive calendar years are less than \$1,500, or when in any calendar year the gross postal receipts are less than \$1,400, it shall be relegated to the fourth class: *Provided*, That postmasters at offices of the third class shall be granted for clerk hire an allowance of \$240 per annum where the salary of the postmaster is \$1,100 per annum; an allowance of \$330 per annum where the salary of the postmaster is \$1,200 per annum; an allowance of \$420 per annum where the salary of the postmaster is \$1,300 per annum; an allowance of \$510 per annum where the salary of the postmaster is \$1,400 per annum; an allowance of \$600 per annum where the salary of the postmaster is \$1,500 per annum; an allowance of \$690 per annum where the salary of the postmaster is \$1,600 per annum; an allowance of \$780 per annum where the salary of the postmaster is \$1,700 per annum; an allowance of \$870 per annum where the salary of the postmaster is \$1,800 per annum; an allowance of \$960 per annum where the salary of the postmaster is \$1,900 per annum; an allowance of \$1,050 per annum where the salary of the postmaster is \$2,000 per annum; an allowance of \$1,140 per annum where the salary of the postmaster is \$2,100 per annum; an allowance of \$1,400 per annum where the salary of the postmaster is \$2,200 per annum; an allowance of \$1,600 per annum where the salary of the postmaster is \$2,300 per annum: *Provided further*, That the Postmaster General may modify these allowances for clerk hire to meet varying needs, but in no case shall they be reduced by such modification more than 25 per cent: *Provided, however*, That the aggregate of such allowances, as modified, shall not exceed in any fiscal year the aggregate of allowances herein prescribed for postmasters of the third class.

"The allowances for clerk hire made to postmasters of the first, second, and third class post offices by the Postmaster Gen-

eral out of the annual appropriations therefor shall cover the cost of clerical service of all kinds in such post offices, including the cost of clerical labor in the money-order business, and excepting allowances for separating mails at third-class post offices, as provided by law.

"Fourth class.—The compensation of postmasters of the fourth class shall be fixed upon the basis of the whole of the box rents collected at their offices and commissions upon the amount of canceled postage-due stamps and on postage stamps, stamped envelopes, and postal cards canceled, on matter actually mailed at their offices, and on the amount of newspaper and periodical postage collected in money, and on the postage collected in money on identical pieces of third and fourth class matter mailed under the provisions of the act of April 28, 1904, without postage stamps affixed, and on postage collected in money on matter of the first class mailed under provisions of the act of April 24, 1920, without postage stamps affixed, and on amounts received from waste paper, dead newspapers, printed matter, and twine sold, at the following rates, namely:

"On the first \$75 or less per quarter the postmaster shall be allowed 160 per cent on the amount; on the next \$100 or less per quarter, 85 per cent; and on all the balance, 75 per cent, the same to be ascertained and allowed by the General Accounting Office in the settlement of the accounts of such postmasters upon their sworn quarterly returns: *Provided*, That when the total compensation of any postmaster at a post office of the fourth class for the calendar year shall amount to \$1,100, exclusive of commissions on money orders issued, and the receipts of such post office for the same period shall aggregate as much as \$1,500, the office shall be assigned to its proper class on July 1 following, and the salary of the postmaster fixed according to the receipts: *Provided further*, That in no case shall there be allowed any postmaster of this class a compensation greater than \$300 in any one of the first three quarters of the fiscal year, exclusive of money-order commissions, and in the last quarter of each fiscal year there shall be allowed such further sums as he may be entitled to under the provisions of this act, not exceeding for the whole fiscal year the sum of \$1,100, exclusive of money-order commissions: *And provided further*, That whenever unusual conditions prevail the Postmaster General, in his discretion, may advance any post office from the fourth class to the appropriate class indicated by the receipts of the preceding quarter, notwithstanding the proviso which requires the compensation of fourth-class postmasters to reach \$1,100 for the calendar year, exclusive of commissions on money-order business, and that the receipts of such post office for the same period shall aggregate as much as \$1,500 before such advancement is made: *And provided further*, That when the Postmaster General has exercised the authority herein granted he shall, whenever the receipts are no longer sufficient to justify retaining such post office in the class to which it has been advanced, reduce the grade of such office to the appropriate class indicated by its receipts for the last preceding quarter.

"SEC. 2. That post-office inspectors shall be divided into six grades, as follows: Grade 1—salary, \$2,800; grade 2—salary, \$3,000; grade 3—salary, \$3,200; grade 4—salary, \$3,500; grade 5—salary, \$3,800; grade 6—salary, \$4,000, and there shall be 15 inspectors in charge at \$4,500: *Provided*, That in the readjustment of grades for inspectors to conform to the grades herein provided, inspectors who are now in present grades 1 and 2 shall be included in grade 1; inspectors who are now in present grade 3 shall be included in grade 2; inspectors who are now in present grade 4 shall be included in grade 3; inspectors who are now in present grade 5 shall be included in grade 4; inspectors who are now in present grade 6 shall be included in grade 5; and inspectors who are now in present grade 7 shall be included in grade 6: *Provided further*, That inspectors shall be promoted successively to grade 5 at the beginning of the quarter following a year's satisfactory service in the next lower grade, and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5; and the time served by inspectors in their present grade shall be included in the year's service required for promotion in the grades provided herein, except as to inspectors in present grade 1.

"Inspectors and supervisory employees of the Railway Mail Service and post offices shall be paid their actual expenses as fixed by law.

"That clerks at division headquarters of post-office inspectors shall be divided into six grades, as follows:

"Grade 1—salary, \$1,900; grade 2—salary, \$2,000; grade 3—salary, \$2,150; grade 4—salary, \$2,300; grade 5—salary, \$2,450; grade 6—salary, \$2,600; and there shall be one chief clerk at each division headquarters at a salary of \$3,000: *Provided*, That in the readjustment of grades for clerks at division head-



quarters to conform to the grades herein provided, clerks who are now in present grade 1 shall be included in grade 1; clerks who are now in present grade 2 shall be included in grade 2; clerks who are now in present grade 3 shall be included in grade 3; clerks who are now in present grade 4 shall be included in grade 4; clerks who are now in present grade 5 shall be included in grade 5; and clerks who are now in present grade 6 shall be included in grade 6: *Provided further*, That clerks at division headquarters shall be promoted successively to grade 5 at the beginning of the quarter following a year's satisfactory service in the next lower grade and not to exceed 35 per cent of the force to grade 6 for meritorious service after not less than one year's service in grade 5, and the time served by clerks in their present grades shall be included in the year's service required for promotion in the grades provided herein: *And provided further*, That whenever in the discretion of the Postmaster General the needs of the service require such action, he is authorized to transfer clerks or carriers in the City Delivery Service from post offices at which division headquarters of post-office inspectors are located to the position of clerk at such division headquarters after passing a noncompetitive examination at a salary not to exceed \$2,300. After such transfer is made effective clerks so transferred shall be eligible for promotion to the grades of salary provided for clerks at division headquarters of post-office inspectors. Hereafter when any clerk in the office of division headquarters in the post-office inspection service is absent from duty for any cause other than leave with pay allowed by law, the Postmaster General, under such regulations as he may prescribe, may authorize the employment of a substitute for such work, and payment therefor from the lapsed salary of such absent clerk at a rate not to exceed the grade of pay of the clerk absent without pay.

"SEC. 3. That at offices of the second class the annual salaries of assistant postmasters shall be in even hundreds of dollars, based on the gross postal receipts for the preceding calendar year, as follows: \$8,000, but less than \$10,000, \$2,200; \$10,000, but less than \$12,000, \$2,200; \$12,000, but less than \$15,000, \$2,200; \$15,000, but less than \$18,000, \$2,300; \$18,000, but less than \$22,000, \$2,300; \$22,000, but less than \$27,000, \$2,400; \$27,000, but less than \$33,000, \$2,400; \$33,000, but less than \$40,000, \$2,500.

"That at offices of the first class the annual salaries of the employees, other than those in the automatic grades, shall be in even hundreds of dollars, based on the gross postal receipts for the preceding calendar year, as follows:

"Receipts \$40,000, but less than \$50,000—assistant postmaster, \$2,600; superintendent of mails, \$2,400. Receipts \$50,000, but less than \$60,000—assistant postmaster, \$2,600; superintendent of mails, \$2,400. Receipts \$60,000 but less than \$75,000—assistant postmaster, \$2,600; superintendent of mails, \$2,400. Receipts \$75,000, but less than \$90,000—assistant postmaster \$2,700; superintendent of mails, \$2,500. Receipts \$90,000, but less than \$120,000—assistant postmaster, \$2,700; superintendent of mails, \$2,600; foremen, \$2,500. Receipts \$120,000, but less than \$150,000—assistant postmaster, \$2,800; superintendent of mails, \$2,700; foremen, \$2,500. Receipts \$150,000, but less than \$200,000—assistant postmaster, \$2,900; superintendent of mails, \$2,800; foremen, \$2,500. Receipts \$200,000, but less than \$250,000—assistant postmaster \$3,000; superintendent of mails, \$2,900; foremen, \$2,500. Receipts \$250,000, but less than \$300,000—assistant postmaster, \$3,100; superintendent of mails, \$3,000; assistant superintendent of mails, \$2,600; foremen, \$2,500. Receipts \$300,000, but less than \$400,000—assistant postmaster, \$3,200; superintendent of mails, \$3,100; assistant superintendent of mails, \$2,600; foremen, \$2,500. Receipts \$400,000, but less than \$500,000—assistant postmaster, \$3,300; superintendent of mails, \$3,200; assistant superintendent of mails, \$2,600; foremen, \$2,500. Receipts \$500,000, but less than \$600,000—assistant postmaster, \$3,500; superintendent of mails, \$3,300; assistant superintendent of mails, \$2,600; foremen, \$2,500; postal cashier, \$2,900; money-order cashier, \$2,600. Receipts \$600,000, but less than \$1,000,000—assistant postmaster, \$3,700; superintendent of mails, \$3,500; assistant superintendent of mails, \$2,800; foremen, \$2,500; postal cashier, \$3,100; money-order cashier, \$2,800. Receipts \$1,000,000, but less than \$2,000,000—assistant postmaster, \$3,900; superintendent of mails, \$3,700; assistant superintendents of mails, \$2,700, \$2,800, and \$3,100; foremen, \$2,500 and \$2,600; postal cashier, \$3,300; assistant cashiers, \$2,600; money-order cashier, \$3,000; bookkeepers, \$2,400; station examiners, \$2,400. Receipts \$2,000,000, but less than \$3,000,000—assistant postmaster \$4,000; superintendent of mails, \$3,800; assistant superintendents of mails, \$2,700, \$2,800, \$3,000, and \$3,300; foremen, \$2,500 and \$2,600; postal

cashier, \$3,400; assistant cashiers, \$2,600 and \$2,900; money-order cashier, \$3,100; bookkeepers, \$2,400 and \$2,500; station examiners, \$2,600. Receipts \$3,000,000, but less than \$5,000,000—assistant postmaster, \$4,100; superintendent of mails, \$3,900; assistant superintendents of mails, \$2,700, \$2,800, \$3,100, and \$3,500; foremen, \$2,500 and \$2,600; postal cashier, \$3,600; assistant cashiers, \$2,600, \$2,800, and \$3,100; money-order cashier \$3,300; bookkeepers, \$2,400 and \$2,500; station examiners, \$2,600 and \$2,800. Receipts \$5,000,000, but less than \$7,000,000—assistant postmaster, \$4,300; superintendent of mails, \$4,100; assistant superintendents of mails, \$2,700, \$2,800, \$3,100, \$3,300, and \$3,700; foremen, \$2,500 and \$2,600; postal cashier, \$3,800; assistant cashiers \$2,600, \$2,900, and \$3,100; money-order cashier, \$3,500; bookkeepers, \$2,400, \$2,500, and \$2,600; station examiners, \$2,600 and \$2,800. Receipts \$7,000,000, but less than \$9,000,000—assistant postmaster, \$4,600; superintendent of mails, \$4,300; assistant superintendents of mails, \$2,700, \$2,800, \$3,100, \$3,500, and \$3,900; foremen, \$2,500 and \$2,600; postal cashier, \$4,000; assistant cashiers, \$2,600, \$2,800, \$3,100, and \$3,400; money-order cashier, \$3,600; bookkeepers, \$2,400, \$2,500, and \$2,600; station examiners, \$2,600 and \$2,800. Receipts \$9,000,000, but less than \$20,000,000—assistant postmasters, \$4,700 and \$4,800; superintendent of mails, \$4,500; assistant superintendents of mails, \$2,800, \$2,900, \$3,100, \$3,500, \$3,700, and \$4,100; foremen, \$2,500, \$2,600, and \$2,700; postal cashier, \$4,100; assistant cashiers, \$2,600, \$2,800, \$3,200, and \$3,600; money-order cashier, \$3,700; bookkeepers, \$2,400, \$2,500, \$2,600, and \$2,800; station examiners, \$2,600 and \$2,800. Receipts \$20,000,000 and upward—assistant postmasters, \$4,800 and \$4,900; superintendent of mails, \$4,700; assistant superintendents of mails, \$2,800, \$2,900, \$3,100, \$3,500, \$3,900, and \$4,100; superintendent of delivery, \$4,700; assistant superintendents of delivery, \$2,800, \$2,900, \$3,100, \$3,500, \$3,900, and \$4,100; foremen, \$2,500, \$2,600, and \$2,700; superintendent of registry, \$4,300; assistant superintendents of registry, \$2,800, \$2,900, \$3,100, \$3,500, and \$4,100; superintendent of money order, \$4,300; assistant superintendent of money order, \$4,100; auditor, \$4,000; postal cashier, \$4,300; assistant cashiers, \$2,600, \$2,800, \$3,100, \$3,300, and \$3,800; money-order cashier, \$3,900; bookkeepers, \$2,400, \$2,600, \$2,800, and \$3,300; station examiners, \$2,600, \$2,800, and \$3,000.

"The salary of superintendents of classified stations shall be based on the number of employees assigned thereto and the annual postal receipts. No allowance shall be made for sales of stamps to patrons residing outside of the territory of the stations. At classified stations each \$25,000 of postal receipts shall be considered equal to one additional employee.

"At classified stations the salary of the superintendent shall be as follows: One and not exceeding 5 employees, \$2,400; 6 and not exceeding 15 employees, \$2,500; 19 and not exceeding 32 employees, \$2,600; 33 and not exceeding 44 employees, \$2,700; 45 and not exceeding 64 employees, \$2,800; 65 and not exceeding 90 employees, \$2,900; 91 and not exceeding 120 employees, \$3,000; 121 and not exceeding 150 employees, \$3,100; 151 and not exceeding 350 employees, \$3,300; 351 and not exceeding 500 employees, \$3,500; 501 or more employees, \$3,800.

"At classified stations having 45 or more employees there shall be assistant superintendents of stations with salaries as follows: Forty-five and not exceeding 64 employees, \$2,400; 65 and not exceeding 90 employees, \$2,500; 91 and not exceeding 120 employees, \$2,600; 121 and not exceeding 150 employees, \$2,700; 151 and not exceeding 350 employees, \$2,900; 351 and not exceeding 500 employees, \$3,100; 501 employees and upward, \$3,400: *Provided*, That not more than two assistant postmasters shall be employed at offices where the receipts are \$9,000,000 and upward: *Provided further*, That at post offices where the receipts are \$14,000,000 but less than \$20,000,000, there shall be a superintendent of delivery whose salary shall be the same as that provided for the superintendent of mails, and assistant superintendents of delivery at the salaries provided for assistant superintendents of mails: *Provided further*, That in fixing the salaries of the postmaster and supervisory employees in the post office at Washington, D. C., the Postmaster General may, in his discretion, add not to exceed 75 per cent to the gross receipts of that office: *Provided further*, That not more than one assistant superintendent of mails, one assistant superintendent of delivery, one assistant superintendent of registry, and one assistant cashier shall be paid the maximum salary provided for these positions, except where receipts are \$9,000,000 and less than \$14,000,000 to which offices two assistant superintendents of mails shall be assigned at the maximum salary, one to be in charge of city delivery: *And provided further*, That State depositories for surplus postal funds and central accounting offices, where the gross receipts are less than



\$500,000, and no postal cashier is provided, the employee in charge of such records and adjustments of the accounts shall be allowed an increase of \$200 per annum; if receipts are \$500,000 and less than \$5,000,000, the postal cashier shall be allowed an increase of \$200 per annum: *And provided further*, That at all central accounting offices where the bookkeeper in charge performs the duties of auditor, he shall be designated chief bookkeeper, at a salary equal to that of the assistant cashier of the highest grade at that office: *And provided further*, That when an office advances to a higher grade because of increased gross postal receipts for a calendar year, promotion of all supervisory employees shall be made to the corresponding grade at the higher salary provided for the same titles or designations under the higher classification of the office based on its postal receipts: *And provided further*, That no employee in the supervisory grades shall receive a salary less than \$100 more than that paid to the highest grade of clerk or special clerk: *Provided further*, That in the readjustment of salaries of all employees above the highest grade for special clerks, those at present designated by titles for which more than one grade of salary is provided shall be placed in the same relative grade and designation and receive the increased salary provided in this title.

"SEC. 4. That clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into five grades as follows: First grade—salary \$1,700; second grade—salary, \$1,800; third grade—salary \$1,900; fourth grade—salary, \$2,000; fifth grade—salary, \$2,100: *Provided*, That in the readjustment of grades for clerks at first and second class post offices and letter carriers in the City Delivery Service to conform to the grades herein provided, grade 1 shall include present grade 1, grade 2 shall include present grade 2, grade 3 shall include present grade 3, grade 4 shall include present grade 4, and grade 5 shall include present grade 5: *Provided further*, That hereafter substitute clerks in first and second class post offices and substitute letter carriers in the City Delivery Service when appointed regular clerks or carriers shall have credit for actual time served on a basis of one year for each 306 days of 8 hours served as substitute, and appointed to the grade to which such clerk or carrier would have progressed had his original appointment as substitute been to grade 1: *And provided further*, That clerks in first and second class post offices and letter carriers in the City Delivery Service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade. All promotions shall be made at the beginning of the quarter following one year's satisfactory service in the grade: *And provided further*, That there shall be two grades of special clerks, as follows: First grade—salary, \$2,200; second grade—salary, \$2,300: *Provided*, That in the adjustment of grades for special clerks to conform to the grades herein provided special clerk grade 1 shall include present grade 1, and special clerk grade 2 shall include present grade 2: *Provided further*, That in all special clerk promotions the senior competent employee shall have preference: *Provided further*, That printers, mechanics, and skilled laborers, employees of the United States Stamped Envelope Agency at Dayton, Ohio, shall for the purpose of promotion and compensation be deemed a part of the clerical force.

"That the pay of substitute, temporary, or auxiliary clerks at first and second class post offices and substitute letter carriers in the City Delivery Service shall be at the rate of 65 cents per hour: *Provided*, That marine carriers assigned to the Detroit River Marine Service shall be paid annual salary of \$300 in excess of the highest salary paid carriers in the City Delivery Service: *Provided further*, That hereafter special clerks, clerks, and laborers, in the first and second class post offices and carriers in the City Delivery Service shall be required to work not more than eight hours a day: *Provided further*, That the eight hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duty of the employees shall be regulated accordingly: *Provided further*, That in cases of emergency, or if the needs of the service require, and it is not practicable to employ substitutes, special clerks, clerks, and laborers, in first and second class post offices and carriers in the City Delivery Service can be required to work in excess of eight hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees: *And provided further*, That in computing the compensation for such overtime the annual salary or compensation for such employees shall be divided by 306, the number of working days in the year less all Sundays and legal holidays enumerated in the act of July 28, 1916. The quotient thus obtained will be the daily compensation which divided by 8 will give the hourly compensation for

such overtime service: *And provided further*, That when the needs of the service require the employment on Sundays and holidays of foremen, special clerks, clerks, carriers, watchmen, messengers, or laborers, at first and second class post offices, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except the last three Sundays in the calendar year, and on 1 day within 30 days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Sundays in the calendar year or on Christmas Day in lieu of compensatory time.

"SEC. 5. That messengers, watchmen, and laborers in first and second class post offices shall be divided into two grades, as follows: First grade—salary, \$1,500; second grade—salary, \$1,600: *Provided*, That watchmen, messengers, and laborers shall be promoted to the second grade after one year's satisfactory service in grade 1: *Provided further*, That the pay of substitute watchmen, messengers, and laborers shall be at the rate of 55 cents per hour.

"SEC. 6. That employees in the motor-vehicle service shall be classified as follows: Superintendents, \$2,400, \$2,600, \$2,800, \$3,000, \$3,400, \$3,600, \$3,800, \$4,000, and \$5,000 per annum; assistant superintendents, \$2,500, \$2,600, and \$2,800 per annum; chiefs of records, \$2,200, \$2,300, \$2,400, \$2,500, \$2,600, \$2,800, and \$3,000; chiefs of supplies, \$2,200, \$2,300, and \$2,400; chief dispatchers, \$2,300 and \$2,500; route supervisors, \$2,400, \$2,500, and \$2,600; dispatchers, \$2,100, \$2,200, and \$2,300; chief mechanics, \$2,400, \$2,500, \$2,600, \$2,800, and \$3,000; mechanics in charge, \$2,200, \$2,300, and \$2,400; and special mechanics, \$2,100, \$2,200, and \$2,300: *Provided*, That assistant superintendents shall not be authorized at offices where the salary of the superintendent is less than \$3,000 per annum.

"That general mechanics employed in the motor-vehicle service shall be divided into three grades: First grade, salary \$1,900; second grade, salary \$2,000; third grade, salary \$2,100; and clerks employed in the motor-vehicle service shall be divided into five grades as follows: First grade, salary \$1,700; second grade, salary \$1,800; third grade, salary \$1,900; fourth grade, salary \$2,000; fifth grade, salary \$2,100: *Provided*, That in the readjustment of grades for clerks in the motor-vehicle service to conform to the grades above provided, grade 1 shall include present grade 1, grade 2 shall include present grade 2, grade 3 shall include present grade 3, grade 4 shall include present grade 4, and grade 5 shall include present grade 5: *Provided*, That general mechanics employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the third grade, and clerks employed in the motor-vehicle service shall be promoted successively after one year's satisfactory service in each grade to the next higher grade until they reach the fifth grade, at the respective offices where employed, and promotion shall be made at the beginning of the quarter following one year's satisfactory service in the grade: *Provided further*, That at first-class post offices there shall be two grades of special clerks in the motor-vehicle service—grade 1, salary \$2,200; grade 2, salary \$2,300: *Provided further*, That in the readjustment of grades for special clerks to conform to the grades herein provided, special clerk, grade 1, shall include present special clerk, grade 1, and special clerk, grade 2, shall include present special clerk, grade 2.

"Mechanics' helpers employed in the motor-vehicle service shall receive a salary of \$1,600 per annum: *Provided*, That on satisfactory evidence of their qualifications after one year's service mechanics' helpers shall be promoted to the first grade of general mechanics as vacancies may occur.

"That driver-mechanics employed in the motor-vehicle service shall be divided into five grades: First grade, salary \$1,600; second grade, salary \$1,700; third grade, salary \$1,800; fourth grade, salary \$1,900; fifth grade, salary \$2,000; and garagemen-drivers employed in the motor-vehicle service shall be divided into two grades: First grade, salary \$1,550; second grade, salary \$1,650: *Provided*, That in the readjustment of salaries provided for in this title all driver-mechanics shall be classified in the respective grades as follows: Those with less than one year's service shall be placed in grade 1; those with more than one year's service and less than two years' service shall be placed in grade 2; those with more than two years' service and less than three years' service shall be placed in grade 3; those with more than three years' service and less than four years' service shall be placed in grade 4; those with more than four years' service shall be placed in grade 5: *Provided further*, That driver-mechanics employed in the motor-vehicle service shall be promoted successively after one year's satisfactory



service in each grade to the next higher grade until they reach the fifth grade at the respective offices where employed: *Provided further*, That garagemen-drivers in the motor-vehicle service shall be promoted after one year's satisfactory service in the first grade to the second grade at the respective offices where employed, and promotions of driver-mechanics and garagemen-drivers shall be made at the beginning of the quarter following one year's satisfactory service in the grade.

"That the pay of substitute, temporary, or auxiliary employees in the motor-vehicle service shall be as follows: Special mechanics at the rate of 75 cents per hour; general mechanics at the rate of 70 cents per hour; clerks and driver-mechanics at the rate of 65 cents per hour; and garagemen-drivers at the rate of 55 cents per hour.

"That special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service shall be required to work not more than 8 hours a day: *Provided*, That the 8 hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duties of the employees shall be regulated accordingly: *Provided further*, That in cases of emergency, or if the needs of the service require, special clerks, clerks, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service can be required to work in excess of 8 hours per day, and for such overtime service they shall be paid on the basis of the annual pay received by such employees: *Provided further*, That in computing the compensation for such overtime the annual salary or compensation of such employees shall be divided by 306, the number of working-days in the year less all Sundays and legal holidays enumerated in the act of July 28, 1916; the quotient thus obtained will be the daily compensation which divided by 8 will give the hourly compensation for such overtime service: *Provided further*, That when the needs of the service require the employment on Sundays and holidays of route supervisors, special clerks, clerks, dispatchers, mechanics in charge, special mechanics, general mechanics, mechanics' helpers, driver-mechanics, and garagemen-drivers in the motor-vehicle service, they shall be allowed compensatory time on 1 day within 6 days next succeeding the Sunday, except the last 3 Sundays in the calendar year, and on 1 day within 30 days next succeeding the holiday and the last 3 Sundays in the year on which service is performed: *Provided, however*, That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime in lieu of compensatory time for service on Sundays and holidays.

"Sec. 7. That the annual salaries of employees of the Railway Mail Service shall be as follows: Division superintendents, \$4,500; assistant division superintendents and assistant superintendents at large, \$3,600; assistant superintendent in charge of car construction, \$3,300; chief clerks, \$3,300; assistant chief clerks, \$2,800: *Provided*, That the clerks in charge of sections in the offices of the division superintendents shall be rated as assistant chief clerks at \$2,800 salary.

"That railway postal clerks shall be divided into two classes, class A and class B, and into seven grades with annual salaries as follows: Grade 1, salary \$1,900; grade 2, salary \$2,000; grade 3, salary \$2,150; grade 4, salary \$2,300; grade 5, salary \$2,450; grade 6, salary \$2,600; grade 7, salary \$2,700.

"Laborers in the Railway Mail Service shall be divided into two grades with annual salaries as follows: Grade 1, salary \$1,500; grade 2, \$1,600.

"Laborers shall be promoted to grade 2 after one year's satisfactory service in grade 1: *Provided*, That in the readjustment of the service to conform to the grades herein provided for laborers, grade 1 shall include laborers in present grade 1, and grade 2 shall include laborers in present grade 2.

"Substitute railway postal clerks shall be paid for services actually performed at the rate of \$1,850 per annum, the first year of service to constitute a probationary period, and when appointed regular clerks shall receive credit on the basis of one year of actual service performed as a substitute and be appointed to the grade to which such clerk would have progressed had his original appointment as a substitute been to grade 1. Any fractional part of a year's substitute service will be included with his service as a regular clerk in determining eligibility for promotion to the next higher grade following appointment to a regular position.

"All original appointments shall be made to the rank of substitute railway postal clerk, and promotions shall be made successively at the beginning of the quarter following a total satisfactory service of 306 days in the next lower grade.

"In the readjustment of the service to conform to the grades herein provided, grade 1 shall include clerks in present grade 1, grade 2 shall include clerks in present grade 2, grade 3 shall

include clerks in present grade 3, grade 4 shall include clerks in present grade 4, grade 5 shall include clerks in present grade 5, and grade 6 shall include clerks in present grade 6.

"That hereafter, in addition to the salaries provided by law, the Postmaster General is hereby authorized to make travel allowances in lieu of actual expenses, at fixed rates per annum, not exceeding in the aggregate the sum annually appropriated, to railway postal clerks, acting railway postal clerks, and substitute railway postal clerks, including substitute railway postal clerks for railway postal clerks granted leave with pay on account of sickness, assigned to duty in railway post-office cars, while on duty, after 10 hours from the time of beginning their initial run, under such regulations as he may prescribe, and in no case shall such an allowance exceed \$3 per day.

"Substitute railway postal clerks shall be credited with full time while traveling under orders of the department to and from their designated headquarters to take up an assignment, together with actual and necessary travel expenses, not to exceed \$3 per day, while on duty away from such headquarters. When a substitute clerk performs service in a railway post office starting from his official headquarters he shall be allowed travel expenses under the law applying to clerks regularly assigned to the run.

"Railway post-office lines shall be divided into two classes, class A and class B, and clerks assigned to class A lines shall be promoted successively to grade 4 and clerks in charge to grade 5. Clerks assigned to class B lines shall be promoted successively to grade 5 and clerks in charge to grade 6: *Provided*, That lines in present class A shall be continued in class A, and lines in present class B shall be continued in class B.

"Terminal railway post offices shall be divided into two classes, class A and class B; those having less than 20 employees shall be assigned to class A, and those having 20 or more employees shall be assigned to class B. Clerks in class A terminals shall be promoted successively to grade 4, and clerks in charge of tours to grade 5. Clerks in class B terminals shall be promoted successively to grade 5, and clerks in charge of tours to grade 6.

"Transfer offices shall be divided into two classes, class A and class B; those having less than five employees shall be assigned to class A, and those having five or more employees to class B. Clerks in class A shall be promoted successively to grade 4, and clerks in charge of tours to grade 5. Clerks in class B shall be promoted successively to grade 5, and clerks in charge of tours to grade 6.

"Clerks assigned to the office of division superintendent or chief clerk shall be promoted successively to grade 4, and in the office of division superintendent four clerks may be promoted to grade 5 and eight clerks to grade 6, and in the office of chief clerk one clerk may be promoted to grade 5 and two clerks to grade 6.

"Examiners shall be promoted successively to grade 6 and assistant examiners to grade 5 whether assigned to the office of division superintendent or chief clerk: *Provided*, That service of clerks shall be based on an average of not exceeding eight hours daily for 306 days per annum, including proper allowances for all service required on lay-off periods. Clerks required to perform service in excess of eight hours daily, as herein provided, shall be paid in cash at the annual rate of pay or granted compensatory time at their option for such overtime. Railway postal clerks assigned to terminal railway post offices and transfer offices and laborers in the Railway Mail Service shall be required to work not more than eight hours a day, and that the eight hours of service shall not extend over a longer period than 10 consecutive hours, and that in cases of emergency, or if the needs of the service require, they may be required to work in excess of eight hours a day, and for such additional service they shall be paid in proportion to their salaries as fixed by law.

"That clerks assigned to road duty shall be credited with full time for delay to trains equal to the period of time between the scheduled arrival and actual arrival of the train at destination of run.

"That section 3 of the act approved June 19, 1922 (41 Stat., p. 660), providing for leaves of absence of employees in the Postal Service, be amended by adding the following proviso: '*Provided*, That hereafter not exceeding five days of the 15 days' annual leave with pay, exclusive of Sundays and holidays, granted to railway postal clerks assigned to road duty each fiscal year may be carried over to the succeeding fiscal year.'

#### "RURAL MAIL DELIVERY SERVICE"

"Sec. 8. That the salary of carriers in the Rural Mail Delivery Service for serving a rural route of 24 miles six days



in the week shall be \$1,800; on routes 22 miles and less than 24 miles, \$1,728; on routes 20 miles and less than 22 miles, \$1,620; on routes 18 miles and less than 20 miles, \$1,440; on routes 16 miles and less than 18 miles, \$1,260; on routes 14 miles and less than 16 miles, \$1,080; on routes 12 miles and less than 14 miles, \$1,008; on routes 10 miles and less than 12 miles, \$936; on routes 8 miles and less than 10 miles, \$864; on routes 6 miles and less than 8 miles, \$792; on routes 4 miles and less than 6 miles, \$720. Each rural carrier assigned to a route on which daily service is performed shall receive \$30 per mile per annum for each mile said route is in excess of 24 miles or major fraction thereof, based on actual mileage, and each rural carrier assigned to a route on which triweekly service is performed shall receive \$15 per mile for each mile said route is in excess of 24 miles or major fraction thereof, based on actual mileage.

"Deductions for failure to perform service on a standard rural delivery route for 24 miles and less shall not exceed the rate of pay per mile for service for 24 miles and less; and deductions for failure to perform service on mileage in excess of 24 miles shall not exceed the rate of compensation allowed for such excess mileage.

"In addition to the salary herein provided, each carrier in Rural Mail Delivery Service shall be paid for equipment maintenance a sum equal to 4 cents per mile per day for each mile or major fraction of a mile scheduled. Payments for equipment maintenance as provided herein shall be at the same periods and in the same manner as payments for regular compensation to rural carriers.

"A rural carrier serving one triweekly route shall be paid a salary and equipment allowance on the basis of a route one-half the length of the route served by him. A rural carrier serving two triweekly routes shall be paid a salary and equipment allowance on the basis of a route one-half of the combined length of the two routes.

"SEC. 9. That the salary of requisition fillers and packers in the division of equipment and supplies shall be as follows: One foreman, \$2,100 per annum; 10 requisition fillers and 9 packers at \$1,800 each per annum.

"SEC. 10. That the pay of carriers in the village delivery service, under such rules and regulations as the Postmaster General may prescribe, shall be from \$1,150 to \$1,350 per annum. The pay of substitute letter carriers in the village delivery service shall be at the rate of 50 cents per hour.

"SEC. 11. Employees in the Postal Service shall be granted 15 days' leave of absence with pay exclusive of Sundays and holidays, each fiscal year, and sick leave with pay at the rate of 10 days a year, exclusive of Sundays and holidays, to be cumulative, but no sick leave with pay in excess of 30 days shall be granted during any one fiscal year. Sick leave shall be granted only upon satisfactory evidence of illness in accordance with regulations to be prescribed by the Postmaster General.

"The 15 days' leave shall be credited at the rate of one and one-quarter days for each month of actual service.

"Whenever an employee herein provided for shall have been reduced in salary for any cause, he may be restored to his former grade or advanced to an intermediate grade at the beginning of any quarter following the reduction, and a restoration to a former grade or advancement to an intermediate grade shall not be construed as a promotion within the meaning of the law prohibiting advancement of more than one grade within one year.

"Whereas the promotion of an employee herein provided for is withheld because of unsatisfactory service, such employee may be promoted at the beginning of the second quarter thereafter, or of any subsequent quarter, on evidence that his record has been satisfactory during the intervening period.

"Hereafter when the needs of the service require the employment on Sundays or holidays of laborers or railway postal clerks at terminal railway post offices and transfer offices, they shall be allowed compensatory time on one day within six days next succeeding the Sunday, except at last three Sundays in the calendar year, and on one day within thirty days next succeeding the holiday and the last three Sundays in the year on which service is performed: *Provided, however,* That the Postmaster General may, if the exigencies of the service require it, authorize the payment of overtime for service on the last three Sundays in the calendar year or on Christmas Day in lieu of compensatory time.

"All employees herein provided for in automatic grades who have not reached the maximum grades to which they are entitled to progress automatically, shall be promoted at the beginning of the quarter following the completion of one year's satisfactory service since their last promotion, regardless of

any increases in salaries granted them by the provisions of this title.

"The Postmaster General may, when the interest of the service requires, transfer any clerk to the position of carrier or any carrier to the position of clerk and interchange the clerical force between the post office and the motor-vehicle service, such transfer or interchange to be made to the corresponding grade and salary of the clerk or carrier transferred or interchanged.

"Substitute clerks in first and second class post offices and the Railway Mail Service and substitute letter carriers in the City Delivery Service when appointed regular clerks, railway postal clerks, or carriers shall have credit for actual time served on a basis of one year for each 306 days of eight hours served as substitute, and appointed to the grade to which such clerk or carrier would have progressed had his original appointment as substitute been to grade 1.

"Postal employees and substitute postal employees who served in the military, marine, or naval service of the United States during the World War and have not reached the maximum grade of salary shall receive credit for all time served in the military, marine, or naval service on the basis of one day's credit of eight hours in the Postal Service for each day served in the military, marine, or naval service, and be promoted to the grade to which such postal employee or substitute postal employee would have progressed had his original appointment as substitute been to grade 1. This provision shall apply to such postal employees and substitute postal employees who were in the Postal Service on October 1, 1920.

"No employee in the Postal Service shall be reduced in rank or salary as a result of the provisions of this title.

"SEC. 12. That the sums appropriated for salaries and compensation of postmasters and employees of the Postal Service in the act making appropriations for the fiscal year ending June 30, 1925, approved April 4, 1924, shall be available for the payment of salaries and compensation of postmasters and postal employees at the rates of pay herein provided; and such additional sums as may be necessary are hereby authorized to be appropriated to carry out the provisions of this title.

#### "INCONSISTENT ACTS REPEALED

"SEC. 13. All Acts and parts of Acts inconsistent or in conflict with this title are hereby amended or repealed.

#### "TITLE II.—POSTAL RATES

##### "FIRST-CLASS MATTER

##### "PRIVATE MAILING CARDS

"SEC. 201. The rate of postage on private mailing cards described in the Act entitled 'An Act to amend the postal laws relating to use of postal cards,' approved May 19, 1898, shall be 2 cents each.

##### "SECOND-CLASS MATTER

"SEC. 202. (a) In the case of publications entered as second-class matter (including sample copies to the extent of 10 per cent of the weight of copies mailed to subscribers during the calendar year) when sent by the publisher thereof from the post office of publication or other post office, or when sent by news agents to actual subscribers thereto, or to other news agents for the purpose of sale—

"(1) The rates of postage on that portion of any such publication devoted to matter other than advertisements shall be 1½ cents per pound, or fraction thereof;

"(2) On that portion of any such publication devoted to advertisements the rates per pound or fraction thereof for delivery within the eight postal zones established for fourth-class matter shall be as follows:

"For the first and second zones, 2 cents, and third zone, 3 cents.

"For the fourth, fifth, and sixth zones, 6 cents.

"For the seventh and eighth zones, and between the Philippine Islands and any portion of the United States, including the District of Columbia and the several Territories and possessions, 9 cents;

"(3) The rate of postage on news papers or periodicals maintained by and in the interests of religious, educational, scientific, philanthropic, agricultural, labor, or fraternal organizations or associations, not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual, shall be 1½ cents per pound or fraction thereof, and the publisher of any such newspaper or periodical, before being entitled to such rate, shall furnish to the Postmaster General, at such times and under such conditions as the Postmaster General may prescribe, satisfactory evidence that none of the net income of such organization or association inures to the benefit of any private stockholder or individual.



"(b) Where the space devoted to advertisements does not exceed 5 per cent of the total space, the rate of postage shall be the same as if the whole of such publication was devoted to matter other than advertisements.

"(c) The rate of postage on daily newspapers and on the periodicals and newspapers provided for in this section when deposited in a letter-carrier office for delivery by its carriers, shall be the same as now provided by law, and nothing in this Act shall affect existing law as to free circulation and existing rates on second-class mail matter within the county of publication. The Postmaster General may hereafter require publishers to separate or make up to zones, in such a manner as he may direct, all mail matter of the second class when offered for mailing.

"(d) With the first mailing of each issue of each such publication, the publisher shall file with the postmaster a copy of such issue, together with a statement containing such information as the Postmaster General may prescribe for determining the postage chargeable thereon.

"SEC. 203. The rate of postage on publications entered as second-class matter, when sent by others than the publisher or news agent, shall be 2 cents for each 2 ounces or fraction thereof, for weights not exceeding 8 ounces, and for weights of such matter exceeding 8 ounces the rates of postage prescribed for fourth-class matter shall be applicable thereto.

"SEC. 204. Where the total weight of any one edition or issue of any such publication mailed to any one zone does not exceed 1 pound, the rate of postage shall be 1 cent.

"SEC. 205. The zone rates provided in section 202 of this title shall relate to the entire bulk mailed to any one zone and not to individually addressed packages.

#### "THIRD-CLASS MATTER

"SEC. 206. (a) Mail matter of the third class shall include books, circulars, and other matter wholly in print (except newspapers and other periodicals entered as second-class matter), proof sheets, corrected proof sheets, and manuscript copy accompanying same, merchandise (including farm and factory products), and all other mailable matter not included in the first or second class, or in the fourth class as defined in section 207.

"(b) The rate of postage thereon shall be 1½ cents for each 2 ounces or fraction thereof, up to and including 8 ounces in weight, except that the rate of postage on books, catalogues, seeds, cuttings, bulbs, roots, scions, and plants, not exceeding 8 ounces in weight, shall be 1 cent for each 2 ounces or fraction thereof.

"(c) The written additions permissible under existing law on mail matter of either the third or fourth class shall be permissible on either of these classes as herein defined without discrimination on account of classification.

#### "FOURTH-CLASS MATTER

"SEC. 207. (a) Mail matter of the fourth class shall weigh in excess of 8 ounces, and shall include books, circulars, and other matter wholly in print (except newspapers and other periodicals entered as second-class matter), proof sheets, corrected proof sheets and manuscript copy accompanying same, merchandise (including farm and factory products), and all other mailable matter not included in the first or second class, or in the third class as defined in section 206.

"(b) That on fourth-class matter the rate of postage shall be by the pound as established by, and in conformity with, the act of August 24, 1912, and in addition thereto there shall be a service charge of 2 cents for each parcel, except upon parcels or packages collected on rural delivery routes, to be prepaid by postage stamps affixed thereto, or as otherwise prescribed by the regulations of the Postmaster General.

"Whenever, in addition to the postage as hereinbefore provided, there shall be affixed to any parcel of mail matter of the fourth-class postage of the value of 25 cents with the words 'Special handling' written or printed upon the wrapper, such parcel shall receive the same expeditious handling, transportation, and delivery accorded to mail matter of the first class.

"The classification of articles mailable, as well as the weight limit, the rates of postage, zone or zones, and other conditions of mailability under this section if the Postmaster General shall find on experience that they or any of them are such as to prevent the shipment of articles desirable, or to permanently render the cost of the service greater than the receipts of the revenue therefrom, he is hereby directed, subject to the consent of the Interstate Commerce Commission after investigation, to reform from time to time such classifications, weight limit, rates, zone or zones or conditions, or either, in order to promote the service to the public or to insure the receipt of revenue from such service adequate to pay the cost thereof.

"(c) That during the twelve months next succeeding the approval of this Act, the Postmaster General be, and he is hereby, authorized to conduct experiments in the operation of not more than fifty rural routes, in localities to be selected by him; said experiments shall be designed primarily to develop and to encourage the transportation of food products directly from producers to consumers or vendors, and, if the Postmaster General shall deem it necessary or advisable during the progress of said experiments, he is hereby authorized, in his discretion, on such number or all of said routes as he may desire, to reduce to such an extent as he may deem advisable the rate of postage on food products mailed directly on such routes for delivery at the post offices from which such routes start, and to allow the rural carriers thereon a commission on the postage so received at such rate as the Postmaster General may prescribe, which commission shall be in addition to the carriers' regular salaries. The amounts due the carriers for commissions shall be determined under rules and regulations to be prescribed by the Postmaster General directly from the postal revenues: *Provided*, That the amount so paid shall in no case exceed the actual amount of revenue derived from this experimental service.

"A report on the progress of this experiment shall be made to Congress at the next regular session.

#### "MONEY ORDERS

"SEC. 208. Section 3 of the act entitled 'An act to modify the postal money-order system, and for other purposes,' approved March 3, 1883, as amended, is amended to read as follows:

"SEC. 3. A money order shall not be issued for more than \$100, and the fees for domestic orders shall be as follows—

"For orders not exceeding \$2.50, 5 cents.

"For orders exceeding \$2.50 and not exceeding \$5, 7 cents.

"For orders exceeding \$5 and not exceeding \$10, 10 cents.

"For orders exceeding \$10 and not exceeding \$20, 12 cents.

"For orders exceeding \$20 and not exceeding \$40, 15 cents.

"For orders exceeding \$40 and not exceeding \$60, 18 cents.

"For orders exceeding \$60 and not exceeding \$80, 20 cents.

"For orders exceeding \$80 and not exceeding \$100, 22 cents."

#### "REGISTERED MAIL

"SEC. 209. (a) The first sentence of section 3927 of the Revised Statutes is amended to read as follows:

"SEC. 3927. Mail matter shall be registered only on the application of the party posting the same, and the fees therefor shall not be less than 15 nor more than 20 cents in addition to the regular postage, to be, in all cases, prepaid; and all such fees shall be accounted for in such manner as the Postmaster General shall direct."

"(b) Notwithstanding the provisions of such section as amended, the Postmaster General may fix the fee for registered mail matter at any amount less than 20 cents.

"SEC. 210. Section 3928 of the Revised Statutes, as amended, is amended to read as follows:

"SEC. 3928. Whenever the sender shall so request, and upon payment of a fee of 3 cents, a receipt shall be taken on the delivery of any registered mail matter, showing to whom and when the same was delivered, which receipt shall be returned to the sender and be received in the courts as prima facie evidence of such delivery."

#### "INSURANCE AND COLLECT-ON-DELIVERY SERVICES

"SEC. 211. (a) The fee for insurance shall be 5 cents for indemnification not to exceed \$5; 8 cents for indemnification not to exceed \$25; 10 cents for indemnification not to exceed \$50; and 25 cents for indemnification not to exceed \$100. Whenever the sender of an insured article of mail matter shall so request, and upon payment of a fee of 3 cents, a receipt shall be taken on the delivery of such insured mail matter showing to whom and when the same was delivered, which receipt shall be returned to the sender and be received in the courts as prima facie evidence of such delivery.

"(b) The fee for collect-on-delivery service shall be 12 cents for collections not to exceed \$10; 15 cents for collections not to exceed \$50; and 25 cents for collections not to exceed \$100.

"(c) The provisions of the act entitled 'An act to extend the insurance and collect-on-delivery service to third-class mail, and for other purposes,' approved June 7, 1924, and of section 8 of the act entitled 'An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, and for other purposes,' approved August 24, 1912, with respect to the insurance and collect-on-delivery services, are hereby continued in force.

#### "SPECIAL DELIVERY

"SEC. 212. (a) To procure the immediate delivery of mail matter weighing more than 2 pounds and not more than 10 pounds, stamps of the value of 15 cents shall be affixed (in



addition to the regular postage), and for the special delivery thereof 11 cents may be paid to the messenger or other person making such delivery.

"(b) To procure the immediate delivery of mail matter weighing more than 10 pounds, stamps of the value of 20 cents shall be affixed (in addition to the regular postage), and for the special delivery thereof 15 cents may be paid to the messenger or other person making such delivery.

"(c) For the purposes of this section the Postmaster General is authorized to provide and issue special-delivery stamps of the denominations of 15 and 20 cents.

"SEC. 213. The act entitled 'An act making certain changes in the postal laws,' approved March 2, 1907, is amended to read as follows:

"That when, in addition to the stamps required to transmit any letter or package of mail matter through the mails, there shall be attached to the envelope or covering ordinary postage stamps of any denomination equivalent to the value fixed by law to procure the immediate delivery of any mail matter, with the words "special delivery" or their equivalent written or printed on the envelope or covering, under such regulations as the Postmaster General may prescribe, said letter or package shall be handled, transmitted, and delivered in all respects as though it bore a regulation special-delivery stamp."

"SEC. 214. The Postmaster General is hereby authorized to continue the work of ascertaining the revenues derived from and the cost of carrying and handling the several classes of mail matter and of performing the special services, and to state the results annually as far as practicable and pay the cost thereof out of the appropriation for inland transportation by railroad routes.

#### " REPEALS

"SEC. 215. The following acts and parts of acts are hereby repealed:

"(a) Sections 1101 to 1106, inclusive, of the revenue act of 1917;

"(b) The act entitled "An act fixing the rate of postage to be paid upon mail matter of the second class when sent by persons other than the publisher or news agent," approved June 9, 1884; and

"(c) The act entitled "An act to amend an act entitled 'An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1915, and for other purposes,' approved March 9, 1914," approved April 24, 1914."

#### " EFFECTIVE DATE

"SEC. 216. This title, except section 217, shall become effective on April 15, 1925.

"SEC. 217. A special joint subcommittee is hereby created to consist of three members of the Committee on Post Offices and Post Roads of the Senate and three members of the Committee on the Post Office and Post Roads of the House, to be appointed by the respective chairmen of said committees. The said special joint subcommittee is authorized and directed to hold hearings prior to the beginning of the first regular session of the Sixty-ninth Congress, to sit in Washington or at any other convenient place and to report during the first week of the first regular session of the Sixty-ninth Congress, by bill, its recommendations for a permanent schedule of postal rates. Said special joint subcommittee is hereby authorized to administer oaths, to send for persons or papers, to employ necessary clerks, accountants, experts, and stenographers, the latter to be paid at a cost not exceeding 25 cents per 100 words; and the expense attendant upon the work of said special joint subcommittee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon voucher of its chairman. This section shall become effective upon the enactment of this act.

#### " TITLE III.—FEDERAL CORRUPT PRACTICES ACT, 1925

"SEC. 301. This title may be cited as the 'Federal corrupt practices act, 1925.'

"SEC. 302. When used in this title—

"(a) The term 'election' includes a general or special election, and, in the case of a Resident Commissioner from the Philippine Islands, an election by the Philippine Legislature, but does not include a primary election or convention of a political party;

"(b) The term 'candidate' means an individual whose name is presented at an election for election as Senator or Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, whether or not such individual is elected;

"(c) The term 'political committee' includes any committee, association, or organization which accepts contributions or makes expenditures for the purpose of influencing or attempting to influence the election of candidates or presidential and vice presidential electors (1) in two or more States, or (2) whether or not in more than one State if such committee, association, or organization (other than a duly organized State or local committee of a political party) is a branch or subsidiary of a national committee, association, or organization;

"(d) The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution;

"(e) The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure;

"(f) The term 'person' includes an individual, partnership, committee, association, corporation, and any other organization or group of persons;

"(g) The terms 'Clerk' means the Clerk of the House of Representatives of the United States;

"(h) The term 'Secretary' means the Secretary of the Senate of the United States;

"(i) The term 'State' includes Territory and possession of the United States.

"SEC. 303. (a) Every political committee shall have a chairman and a treasurer. No contribution shall be accepted, and no expenditure made, by or on behalf of a political committee for the purpose of influencing an election until such chairman and treasurer have been chosen.

"(b) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

"(1) All contributions made to or for such committee;

"(2) The name and address of every person making any such contribution, and the date thereof;

"(3) All expenditures made by or on behalf of such committee; and

"(4) The name and address of every person to whom any such expenditure is made, and the date thereof.

"(c) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure by or on behalf of a political committee exceeding \$10 in amount. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for a period of at least two years from the date of the filing of the statement containing such items.

"SEC. 304. Every person who receives a contribution for a political committee shall, on demand of the treasurer, and in any event within five days after the receipt of such contribution, render to the treasurer a detailed account thereof, including the name and address of the person making such contribution, and the date on which received.

"SEC. 305. (a) The treasurer of a political committee shall file with the clerk between the 1st and 10th days of March, June, and September, in each year, and also between the tenth and fifteenth days, and on the fifth day, next preceding the date on which a general election is to be held, at which candidates are to be elected in two or more States, and also on the 1st day of January, a statement containing, complete as of the day next preceding the date of filing—

"(1) The name and address of each person who has made a contribution to or for such committee in one or more items of the aggregate amount or value, within the calendar year, of \$100 or more, together with the amount and date of such contribution;

"(2) The total sum of the contributions made to or for such committee during the calendar year and not stated under paragraph (1);

"(3) The total sum of all contributions made to or for such committee during the calendar year;

"(4) The name and address of each person to whom an expenditure in one or more items of the aggregate amount or value, within the calendar year, of \$10 or more has been made by or on behalf of such committee, and the amount, date, and purpose of such expenditure;

"(5) The total sum of all expenditures made by or on behalf of such committee during the calendar year and not stated under paragraph (4);

"(6) The total sum of all expenditures made by or on behalf of such committee during the calendar year.

"(b) The statements required to be filed by subdivision (a) shall be cumulative during the calendar year to which they



relate, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

"(c) The statement filed on the 1st day of January shall cover the preceding calendar year.

"SEC. 306. Every person (other than a political committee) who makes an expenditure in one or more items, other than by contribution to a political committee, aggregating \$50 or more within a calendar year for the purpose of influencing in two or more States the election of candidates, shall file with the Clerk an itemized detailed statement of such expenditure in the same manner as required of the treasurer of a political committee by section 305.

"SEC. 307. (a) Every candidate for Senator shall file with the Secretary and every candidate for Representative, Delegate, or Resident Commissioner shall file with the Clerk not less than 10 nor more than 15 days before, and also within 30 days after, the date on which an election is to be held, a statement containing, complete as of the day next preceding the date of filing—

"(1) A correct and itemized account of each contribution received by him or by any person for him with his knowledge or consent, from any source, in aid or support of his candidacy for election, or for the purpose of influencing the result of the election, together with the name of the person who has made such contribution;

"(2) A correct and itemized account of each expenditure made by him or by any person for him with his knowledge or consent, in aid or support of his candidacy for election, or for the purpose of influencing the result of the election, together with the name of the person to whom such expenditure was made; except that only the total sum of expenditures for items specified in subdivision (c) of section 309 need be stated;

"(3) A statement of every promise or pledge made by him or by any person for him with his consent, prior to the closing of the polls on the day of the election, relative to the appointment or recommendation for appointment of any person to any public or private position or employment for the purpose of procuring support in his candidacy, and the name, address, and occupation of every person to whom any such promise or pledge has been made, together with the description of any such position. If no such promise or pledge has been made, that fact shall be specifically stated.

"(b) The statements required to be filed by subdivision (a) shall be cumulative, but where there has been no change in an item reported in a previous statement only the amount need be carried forward.

"(c) Every candidate shall inclose with his first statement a report, based upon the records of the proper State official, stating the total number of votes cast for all candidates for the office which the candidate seeks, at the general election next preceding the election at which he is a candidate.

"SEC. 308. A statement required by this title to be filed by a candidate or treasurer of a political committee or other person with the Clerk or Secretary, as the case may be—

"(a) Shall be verified by the oath or affirmation of the person filing such statement, taken before any officer authorized to administer oaths;

"(b) Shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the Clerk or Secretary at Washington, D. C., but in the event it is not received, a duplicate of such statement shall be promptly filed upon notice by the Clerk or Secretary of its nonreceipt;

"(c) Shall be preserved by the Clerk or Secretary for a period of two years from the date of filing, shall constitute a part of the public records of his office, and shall be open to public inspection.

"SEC. 309. (a) A candidate, in his campaign for election, shall not make expenditures in excess of the amount which he may lawfully make under the laws of the State in which he is a candidate, nor in excess of the amount which he may lawfully make under the provisions of this title.

"(b) Unless the laws of his State prescribe a less amount as the maximum limit of campaign expenditures, a candidate may make expenditures up to—

"(1) The sum of \$10,000 if a candidate for Senator, or the sum of \$2,500 if a candidate for Representative, Delegate, or Resident Commissioner; or

"(2) An amount equal to the amount obtained by multiplying 3 cents by the total number of votes cast at the last general election for all candidates for the office which the candidate seeks, but in no event exceeding \$25,000 if a candidate for Senator or \$5,000 if a candidate for Representative, Delegate, or Resident Commissioner.

"(c) Money expended by a candidate to meet and discharge any assessment, fee, or charge made or levied upon candidates by the laws of the State in which he resides, or expended for his necessary personal, traveling, or subsistence expenses, or for stationery, postage, writing, or printing (other than for use on billboards or in newspapers), for distributing letters, circulars, or posters, or for telegraph or telephone service, shall not be included in determining whether his expenditures have exceeded the sum fixed by paragraph (1) or (2) of subdivision (b) as the limit of campaign expenses of a candidate.

"SEC. 310. It is unlawful for any candidate to directly or indirectly promise or pledge the appointment, or the use of his influence or support for the appointment of any person to any public or private position or employment, for the purpose of procuring support in his candidacy.

"SEC. 311. It is unlawful for any person to make or offer to make an expenditure, or to cause an expenditure to be made or offered, to any person, either to vote or withhold his vote, or to vote for or against any candidate, and it is unlawful for any person to solicit, accept, or receive any such expenditure in consideration of his vote or the withholding of his vote.

"SEC. 312. Section 118 of the act entitled 'An act to codify, revise, and amend the penal laws of the United States,' approved March 4, 1909, is amended to read as follows:

"SEC. 118. It is unlawful for any Senator or Representative in, or Delegate or Resident Commissioner to, Congress, or any candidate for, or individual elected as, Senator, Representative, Delegate, or Resident Commissioner, or any officer or employee of the United States, or any person receiving any salary or compensation for services from money derived from the Treasury of the United States, to directly or indirectly solicit, receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever, from any other such officer, employee, or person."

"SEC. 313. It is unlawful for any national bank, or any corporation organized by authority of any law of Congress, to make a contribution in connection with any election to any political office, or for any corporation whatever to make a contribution in connection with any election at which presidential and vice presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to, Congress are to be voted for, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this section. Every corporation which makes any contribution in violation of this section shall be fined not more than \$5,000; and every officer or director of any corporation who consents to any contribution by the corporation in violation of this section shall be fined not more than \$1,000, or imprisoned not more than one year, or both.

"SEC. 314. (a) Any person who violates any of the foregoing provisions of this title, except those for which a specific penalty is imposed by sections 312 and 313, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

"(b) Any person who willfully violates any of the foregoing provisions of this title, except those for which a specific penalty is imposed by sections 312 and 313, shall be fined not more than \$10,000 and imprisoned not more than two years.

"SEC. 315. This title shall not limit or affect the right of any person to make expenditures for proper legal expenses in contesting the results of an election.

"SEC. 316. This title shall not be construed to annul the laws of any State relating to the nomination or election of candidates, unless directly inconsistent with the provisions of this title, or to exempt any candidate from complying with such State laws.

"SEC. 317. If any provision of this title or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the act and of the application of such provision to other persons and circumstances shall not be affected thereby.

"SEC. 318. The following acts and parts of acts are hereby repealed: The act entitled 'An act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected,' approved June 25, 1910 (chap. 392, 36 Stats., p. 822), and the acts amendatory thereof, approved August 19, 1911 (chap. 33, 37 Stats., p. 25), and August 23, 1912 (chap. 349, 37 Stats., p. 360); the act entitled 'An act to prevent corrupt practices in the election of Senators, Representatives, or Delegates in Congress,' approved October 16, 1918 (chap. 187, 40 Stats., p. 1013); and section 83 of the Criminal Code of the United States, approved March 4, 1909 (chap. 321, 35 Stats., p. 1088).



"SEC. 319. This title shall take effect 30 days after its enactment" and a period; and the Senate agree to the same.

GEO. H. MOSES,

L. C. PHIPPS,

*Managers on the part of the Senate.*

CALVIN D. PAIGE,

M. CLYDE KELLY,

*Managers on the part of the House.*

We agree to the foregoing report with the exception of the 2 cents service charge on parcel-post packages. To this item of the bill and the report we dissent.

KENNETH MCKELLAR,

*Manager on the part of the Senate.*

THOMAS M. BELL,

*Manager on the part of the House.*

#### THE FEDERAL POWER ACT (S. DOC. NO. 210)

Mr. PEPPER. Mr. President, in the January number of the University of Pennsylvania Law Review there is what seems to me to be a valuable article on the Federal power act, with a collection of useful authorities. It seems to me that a reprint of this article, which is the work of Mr. John Franklin Shields, of the Philadelphia bar, would be useful for the information of Senators, and I ask consent that it may be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

#### ADDRESS BY HON. JAMES M. BECK

Mr. MOSES. Mr. President, I ask unanimous consent for the printing in the Record of an address delivered in New York by the Solicitor General on the occasion of the celebration of Washington's Birthday.

The PRESIDENT pro tempore. Without objection, it will be so ordered.

The matter referred to is here printed, as follows:

#### THE WASHINGTON TRADITION AND OUR FOREIGN POLICY

(An address delivered by James M. Beck, Solicitor General of the United States, in Carnegie Hall, New York City, on February 23, 1925, at the anniversary celebration of the birth of George Washington)

Ladies and gentlemen, it is a gracious custom which has brought us together this morning to honor the birthday of Washington. Such commemoration is a sacred debt to the dead, a like duty to the unborn, and the living can gain fresh inspiration and courage for the grave questions of the hour by recalling his character and achievements.

It may be said of Washington, as Matthew Arnold said of Shakespeare:

"Others abide our question. Thou art free."

He stands preeminent among the great and good, the "noblest man that ever lived in the tide of time." A self-educated man and with no alma mater other than the hard school of experience, he yet became the founder of a state, the greatest now in the world, in the same sense, but to a nobler purpose, that Alexander, Caesar, Charlemagne, Frederick the Great, and Napoleon founded empires. Their empires have all vanished, but the American Republic endures. Without the vision, the sagacity, and the masterful influence of Washington it might never have been.

Truly, if you "seek his monument, look about you." The Republic is his monument. What man born of woman has a nobler?

And yet there have not been wanting historians who have failed to see his intellectual greatness. For example, a well-known and scholarly historian, an authority on the colonial era, in a lecture at Oxford a few years ago, described Washington as "a man of few natural gifts, self-educated, and somewhat slow witted." The learned professor is of that class of pedagogues who seek a reputation for original thought by questioning the intellectual powers of great men who have vindicated their strength of mind "by the arduous greatness of things done."

I wish that all the writings of this learned critic could be compared with the 12 volumes of Washington's writings. If he had written nothing more than the Farewell Address, his fame would be secure, for no leader of men ever gave to a people a wiser or a nobler political testament.

His contemporaries never questioned his intellectual qualifications.

Patrick Henry only voiced the general judgment when he said, speaking of the Second Continental Congress:

"When you speak of solid opinion and sound judgment, Colonel

Washington is unquestionably the greatest man upon that floor."

Jefferson, a man of unusual intellect, and whose estimate of Washington was not influenced by the partiality of friendship, said:

"His mind was great and powerful, without being of the very first order; his penetration strong, though not so acute as that of Newton, Bacon, or Locke; and as far as saw no judgment was ever sounder. \* \* \* Perhaps the strongest feature of his character was prudence, never acting until every circumstance, every consideration, was maturely weighed, refraining if he saw a doubt, but once deciding going through his purpose whatever obstacles opposed."

Long in advance of his fellow countrymen, he saw the need of a consolidated union and predicted the immense development which such a union would make possible.

After Yorktown, and until the Constitutional Convention of 1787, his correspondence teems with the most vigorous arguments and eloquent appeals for a central government that would be a State in fact and not merely in name. He summed up all the deficiencies of the impotent confederation in one sententious phrase: "Influence is not government." His vision, which saw far into the future, perceived the possibilities of the territory west of the Alleghenies at a time when it was commonly regarded as an almost impenetrable wilderness. It was he, in letters of wonderful sagacity, who deprecated in the eighth decade of the eighteenth century any premature quarrel with Spain with reference to the Mississippi; for he argued that the first duty of America was to fill in the hinterland with settlers, and then the control of the Mississippi would take care of itself. Realizing that only a system of transportation would accomplish this, he planned a series of waterways from the headwaters of the Potomac to the Great Lakes and thence to Detroit; and his far-sighted genius in this respect need not be undervalued to the sagacity of those pioneers of a century later who united the Atlantic and the Pacific with ties of steel rails. He early saw the possibility of mechanical power to serve the necessities of water transportation, and gave great encouragement to Rumsey, the first pioneer. To his initiative in connecting the States by water routes and his strong counsel that the conflicting commercial regulations of the States should give way to a common control over commerce, we owe first the Annapolis Convention and then the Philadelphia Convention of 1787, and while Washington, in the four months of that convention sat silent as its presiding officer, without his masterful influence and sagacious counsel that masterpiece of statecraft, the Constitution of the United States, would never have been.

More familiar is his extraordinary work in keeping the little army of the infant Republic together in the seven years of the war, and under circumstances such as never before tried any military leader. He was obliged to be at once its civil administrator as well as its commander in chief, and only Washington could ever have brought the epic struggle to a successful issue.

No one has better characterized this heroic chapter in his life than Thackeray, the greatest of the Victorian novelists, in *The Virginians*:

"What a constancy, what a magnanimity, what a surprising persistence against fortune! \* \* \* The chief of a nation in arms, doing battle with distracted parties; calm in the midst of conspiracy; serene against the open foe before him and the darker enemies at his back; Washington, inspiring order and spirit into troops hungry and in rags; stung by ingratitude, but betraying no anger, and ever ready to forgive; in defeat invincible, magnanimous in conquest, and never so sublime as on that day when he laid down his victorious sword and sought his noble retirement—here, indeed, is a character to admire and revere, a life without a stain, a fame without a flaw."

To eulogize such a personality would be the idlest superfluity. Nothing we can say can either add to or detract from his preeminence among the wise, the good, and the heroic. Let it rather be our purpose this morning to consider his teachings with respect to the problems that immediately confront us as a Nation.

We are living in one of the great crises of human history. For 10 years civilization has been swept by a seismic storm of passionate strife. The greatest of the world wars has shaken civilization to its very foundation and the end is not yet.

There is an extraordinary analogy between the condition of the world as it has been in the last decade and as it was during the two terms in which Washington served as our Chief Magistrate. Then, as now, civilization seemed to have gone stark mad. As Washington said, "The whole world was in an uproar." Then, as now, the United States had a most difficult and delicate task "to steer safely"—again to quote his words—"between Scylla and Charybdis."

In one important respect the analogy fails, for then we were the youngest and weakest of nations, while to-day the United States is the most powerful Nation of the world. Washington's problem as the first President of the new Nation was of exceptional and novel difficulty. He was required, as he said, to "tread unbeaten paths." The infant Republic had neither an army nor a navy and no credit to organize either. The public debt was in arrears and the currency of the United States was valueless.



These conditions would have made the path of Washington difficult under any circumstances, but concurrently with the inauguration of the new Government the French Revolution exploded as a long-extinct volcano. A few months after he took the oath of office the Bastille was stormed and a Paris mob marched on Versailles and brought the King back to the Tuilleries as a captive. Religion was dethroned, existing institutions swept away, and license under the name of reason worshipped in the guise of a naked woman before the high altar of Notre Dame. The civilized world felt the reflex action of this titanic upheaval, and it was under these circumstances, with "the world in an uproar," that Washington attempted to put a new Nation with a new form of government into successful operation.

Writing to Lafayette on January 29, 1789 he said:

"My endeavors shall be unremittingly exerted, even at the hazard of my former fame or present popularity, to extricate my country from the embarrassments in which it is entangled through want of credit. \* \* \* I think I see its path as clear and direct as a ray of light. Nothing but harmony, honesty, industry, and frugality are necessary to make us a great and happy people."

Thus he clearly predicted the result to himself of his efforts to establish a government, which would reconcile liberty with law and freedom with order, for the time soon came in his administration when he was jeered by the mob and subjected to venomous abuse.

He had no illusions about the French Revolution, as had so many of his contemporaries.

On October 13, 1789, he wrote:

"I fear that although it has gone triumphantly through the first paroxysm, it is not the last it has to encounter before matters are finally settled. \* \* \* The licentiousness of the people on the one hand, and the sanguinary punishment on the other, will alarm the best disposed friends to the measure, and contribute not a little to the overthrow of the object. \* \* \* To forbear running from one extreme to another is no easy matter, and should this be the case, rocks and shelves, not visible at present, may wreck the vessel."

Who else at that time saw the future of the French Revolution more clearly? The fine aspirations for liberty, which inspired the French Revolution, were only to end temporarily in the despotic rule of Napoleon. This Washington foresaw, for in the same letter, written when Napoleon was an unknown officer of the artillery, Washington added:

"My greatest fear has been that the Nation would not be sufficiently cool and moderate in making arrangements for the security of liberty."

The reflex action of the French Revolution upon the American people was so great that the infant Republic would have been strangled in its very birth if it had not been for the patience and sagacity of Washington. He selected for his Cabinet the leaders of the two great parties which were then in process of formation.

The result was only partly successful, for neither Jefferson nor Hamilton were sufficiently broad to sacrifice their personal controversies and interests to the common good in a spirit of loyalty to their illustrious chief. No fact tried Washington more bitterly than this. His whole official career as President was the most bitter experience of his life. It made of him in his latter days a silent and disillusioned man. He had sacrificed his own advantage to the public good, and yet found his two chief advisers unwilling to submerge their differences. Their passionate quarrels so embittered him that he once said that there was only one moment since he had been inaugurated that he had regretted having left his home in Mount Vernon, and that was "every moment," and that he "would rather be in the grave than to be the emperor of the world."

On August 23, 1792, he addressed a letter to Jefferson, Hamilton, and Randolph, in which, after deprecating the fact that internal dissension should "be harrowing and tearing out our vitals," he added:

"That unless there could be more charity for the opinion and acts of one and another in governmental matters \* \* \* it would be difficult to manage the reins of government or keep the parts of it together, \* \* \* and thus the fairest prospect of happiness and prosperity that ever was presented to man will be lost, perhaps forever."

He therefore asked that—

"Instead of wounding suspicions and irritating charges there may be liberal allowances, mutual forbearance, and a temporary yielding on all sides."

Unfortunately, these quarrels did not cease, but only increased in intensity, until Washington's life became so embittered that at the end of the first term it was with the greatest reluctance, and only at the earnest solicitation of both Jefferson and Hamilton, that he agreed to accept a reelection.

It was not alone these two quarreling lawyers who thus made his life miserable, when he was trying to construct the edifice of our Government on a sure foundation, but even more irritating to him

were two editors, whose pin pricks and unfair attacks made the old lion roar with anger. He was called a "Nero," a tyrant, and a would-be usurper. To us, in this latter day, when abuse has become so common that little attention is paid to it, it is difficult to understand the sensitiveness of Washington to the criticism of the press.

Thus, the last days of Washington were not altogether happy. If the quarreling of two lawyers and the attacks of two editors embittered him, it was finally reserved for two doctors to bleed him to death for an attack of acute laryngitis.

With scant cooperation, even from his immediate Cabinet advisers, of whom Knox and Hamilton were avowed in their sympathies for England, and Jefferson and Randolph were equally ardent for France, Washington, with extraordinary sagacity, kept the ship on an even keel, for he saw that nothing could be more fatal than to steer the infant Republic into the then seething maelstrom of European politics.

Defending his policy in a letter to Patrick Henry, he said:

"My ardent desire and my aim has been \* \* \* to comply strictly with all our engagements, foreign and domestic, and to keep the United States from political connection with every other country, to see them independent of all and under the influence of none. In a word, I want an American character that the powers of Europe may be convinced that we act for ourselves and not for others. This, in my judgment, is the only way to be respected abroad and happy at home, and not by becoming partisans of Great Britain or France create dissension, disturb the public tranquillity, and destroy, perhaps forever, the cement which binds the Union."

In a letter to William Heath, dated May 20, 1797, he expressed the hope that—

"our citizens would advocate their own cause instead of that of any other nation under the sun; that is, if instead of being Frenchmen or Englishmen in politics, they would be Americans, indignant at any attempt of either or any other power to establish an influence in our councils or presume to sow the seeds of discord or disunion among us."

Fully conscious that his exhausted country needed peace and quiet for its convalescence, he was nevertheless not "a peace-at-any-price" adherent. He did not cherish the illusion that even in his day our Nation could have the immunity of a hermit nation.

When he delivered in December, 1793, his second inaugural address, war had again broken out in Europe, and the burden of his message naturally dealt with the many novel problems which then confronted the infant Republic. He said:

"I can not recommend to your notice measures for the fulfillment of our duties to the rest of the world without again pressing upon you the necessity of placing ourselves in a condition of complete defense and of exacting from them the fulfillment of their duties toward us. The United States ought not to indulge a persuasion that, contrary to the order of human events, they will forever keep at a distance those painful appeals to arms with which the history of every other nation abounds. There is a rank due to the United States among nations which will be withheld, if not absolutely lost, by the reputation of weakness. If we desire to avoid insult, we must be able to repel it; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war."

What a verification these words had 10 years ago. Had America been ready for war when the *Lusitania* was sunk, the history of this era would have been written to better purpose. Had it then taken up the gauntlet and resented that cruel outrage the World War would have ended in 1916, and the worst sacrifices of human life and treasure would have been averted. Lloyd-George once said to me, "Europe could have stood and survived three years of this war but the fourth was fatal." History may yet verify his statement.

In a letter to Gouverneur Morris, dated December 22, 1795, Washington after reaffirming his policy of nonintervention in European politics on account of the weakness of the infant Republic, added:

"If this country is preserved in tranquillity 20 years longer, it may bid defiance in a just cause to any power whatever."

It was in the Farewell Address that he framed in the most deliberate and precise manner his views as to the foreign policy of the Government. I need not remind you of the care and deliberation with which this immortal valedictory was prepared. He first planned it at the end of his first term, and it evidently occupied his thoughts during the whole of his second term. He submitted drafts of it to Madison, discussed it with Jefferson and Knox, and finally engaged the acute mind and eloquent pen of Hamilton in its final preparation. Thus the Farewell Address, possibly the noblest state document in the history of the world, represents the mature wisdom and deliberate political philosophy of Washington, not only for his own day but for the future of his Nation.

Solemnly he warned us against—

"excessive partiality for one foreign nation and excessive dislike of another. \* \* \* The great rule of conduct for you in regard to foreign nations is, in extending our commercial relations



to them, to have as little political connection as possible. Europe has a set of primary interests which to us have none or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves by unofficial ties in the ordinary vicissitudes of her politics or the ordinary combinations and collisions of her friendships or enmities."

Please note the reiteration of the word "ordinary." It suggests by necessary implication a belief on the part of Washington that there might arise extraordinary vicissitudes in European politics which would involve the welfare of civilization itself, and as to these he was careful not to exclude the legitimate right and interest of the United States to have a voice. He recognized the possibility that extraordinary crises might arise in the world, in which the United States could not be a passive spectator. For such emergencies he recommended "temporary alliances," and thus America's intervention in 1917 in the World War and its temporary alliance with England and France was not a departure from his policy.

Again, in the Farewell Address, he expressly predicates his observations on the conditions which then prevailed and again prophetically calls attention to the fact that if the Infant Republic simply abstains from intervention in the destructive policies of the Old World in its infancy a day will come when all nations must reckon with it, for he says:

"If we remain one people under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions, will not lightly hazard the giving us provocation; when we may choose peace or war as our interests, guided by justice, shall counsel."

Even more pointedly, at the close of the Farewell Address, he says, in further explanation of his policy of neutrality in the then pending war between England and France:

"With me a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress without interruption to that degree of strength and consistency which it may be necessary to give it, humanly speaking, the command of its own fortunes."

To-day his sagacity is vindicated, for the Nation which he founded is the most powerful in the world and, as no other, has "the command of its own fortunes."

Washington never intended to commit his Nation to a perpetual policy of political isolation. When he strongly and sagaciously advised his country against having "alliances" or "political connections" with other countries, the precise meaning which he gave to those terms must be steadily borne in mind. Civilization was then a community of detached and isolated States, between whom there was no cooperative effort for the maintenance of international law and the preservation of peace. Alliances and treaty relations between nations then were for purposes of offense and defense and bound the respective nations in a community of purely selfish interest. International arbitration was almost unknown, while such a federation of the world as was realized in the two Hague conventions was as undreamed a possibility as Marconi's instantaneous transmission of news "by the sightless couriers of the air." It was an age in which each nation was an Ishmael and international morality was almost nonexistent.

Is there anything in Washington's words or deeds which justifies the assumption that the Lion of Trenton did not intend his Republic to realize its full destiny as a great, masterful, and beneficent people in proportion to its strength? Could he who witnessed and directed the mysterious and puissant impulse which led the Colonies to throw off their allegiance to Great Britain and assume an independent station among the nations of the world ignore the fact that that instinct for expanding power would remain with us while Anglo-Saxon blood flowed in our veins? If he were alive to-day, would he reject the locomotive for the stage coach or the repeating rifle for the flintlock musket? When he lived the Atlantic coast was our cradle. Had he lived to see our Nation in its lusty youth on the banks of the Mississippi, and later reaching the shores of the Pacific, and still later had seen our flag greeting the rising sun in the harbor of Manila, would he, of all men, accept a policy which seeks to limit the power and influence of the Republic to the Western Hemisphere and which attempts to surrender the world-wide and beneficent influence in the affairs of man to which the greatness of our people and the strength of our resources alike entitle us?

Those who would keep the Republic in her swaddling clothes and invoke the great name of Washington should first convince us that if he were the President of the most powerful Nation he would advise it to yield precedence to lesser and weaker powers. Would he, of all men, ignore the fact that as our people have derived from civilization inestimable rights and privileges, we owe a corresponding duty to be a potent and beneficent force in the councils of mankind?

While Washington would never have favored in this day of our strength a policy of isolation, yet I think he would still oppose any permanent alliance or political connection that would impair our freedom to act on our own judgment as to what is just and wise in each recurring crisis of civilization. Independence, and not isolation would be his policy to-day.

In his eighth annual address, he again refers to the European complications. He says:

"To an active external commerce the protection of a naval force is indispensable. This is manifest with regard to wars in which a State is itself a party. But besides this, it is in our own experience that the most sincere neutrality is not a sufficient guard against the depredations of nations at war. To secure respect to a neutral flag requires a naval force organized and ready to vindicate it from insult or aggression. This may even prevent the necessity of going to war by discouraging belligerent powers from committing such violations of the rights of the neutral party as may, first or last, leave no other option. \* \* \* These considerations invite the United States to look to the means, and to set about the gradual creation of a navy. \* \* \* Will it not, then, be advisable to begin without delay to provide and lay up the materials for the building and equipping of ships of war, and to proceed in the work by degrees, in proportion as our resources shall render it practicable without inconvenience, so that a future war of Europe may not find our commerce in the same unprotected state in which it was found by the present?"

If Washington's foreign policy be in part limited to his times and the then prevailing conditions, yet in part it is intended to be our guide for all time. Thus he says:

"Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this country, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation to give to mankind the magnanimous and too novel example of people always guided by an exalted justice and benevolence."

My fellow citizens, that is a policy whose infinite truth and value "time can not wither or custom stale." Can it be doubted that if he were to-day to "revisit the glimpses of the moon" and entering this hall address us to-day, he would say:

"Americans, what I said to you in 1796 I repeat to-day in 1925. My words were addressed not alone to the little America of my day but that future America, whose greatness I foresaw. My dream is realized. You are now the greatest Nation of the world, and soon you will be of such overshadowing power that you can bring peace to the world. But that new 'pax Romana' must be a peace of justice and not of power."

"To that great end be free! Do not by any entangling alliance or political connection impair your full freedom to observe good faith and justice toward all nations. Do not subordinate your judgment to any nation. You have been the liberator of mankind, now be its pacificator. Be not only just to all, but generous to all. Do not in this day of your wealth and power be unmindful of the distresses of nations that are suffering from the errors and misfortunes of many centuries. You can conquer—not by force, but by giving 'to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence.' America—"

"To thine own self be true and it must follow, as the night the day, thou can'st not then be false to any man."

What were his views in those last days of his life, and of the eighteenth century? Europe was then rocking with revolution. Napoleon had destroyed the last remnant of free government and had seized the reins of power as first consul. All Europe was uniting against him and mankind was destined to see 15 years of bloody strife, which was only to culminate on the field of Waterloo.

While Washington was not destined to see this, for he died shortly before Napoleon won his great victory on the plains of Marengo, yet we can imagine the old soldier in his retirement at Mount Vernon following with eager vision the extraordinary developments in the Old World and the rising sun of the new Caesar. I can imagine him in that last autumn of his life seated on the porch of his beloved Mount Vernon in the gathering twilight—emblematic of the dying day of his life—and silently gazing upon the Potomac as it moved toward the sea, a symbol of the infinite mystery of time.

It was on such an October evening a few months before he died, with the autumn leaves falling from the trees upon the green lawns of his much-loved home, that he retired to his study and wrote in a letter to a friend his last expression of opinion as to the affairs of the world, and what he thus wrote can be applied to the conditions of the present hour, as expressing his opinion if he were alive to-day. He said:

"The affairs of Europe have taken a most important and interesting turn. \* \* \* My own wish is to see everything settled upon the best and surest foundation for the peace and happiness of mankind without regard to this, that, or any other nation. A



more destructive sword never was drawn, at least in modern times, than this war has produced. It is time to sheath it and give peace to mankind."

Thus spoke and still speaks the world's noblest citizen, and to that ideal of peace mankind is steadily marching. At its head is still the great soldier who, if "first in war," was also "first in peace"; for—"the path of the just is as the shining light, that shineth more and more unto the perfect day."

#### EXECUTIVE SESSION

Mr. BORAH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 20 minutes spent in executive session the doors were reopened.

#### PROTECTION OF COMMERCIAL, INDUSTRIAL, AND AGRICULTURAL TRADE-MARKS AND COMMERCIAL NAMES

In executive session this day, the following convention was ratified and, on motion of Mr. BORAH, the injunction of secrecy was removed therefrom:

To the Senate:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith, authenticated by the Chilean Ministry for Foreign Affairs, which is the depositary of the original, a copy of a convention for the protection of commercial, industrial, and agricultural trade-marks and commercial names, which was signed at Santiago, Chile, on April 28, 1923, by the delegates of the United States and of the other Governments represented at the Fifth International Conference of American States.

I invite the attention of the Senate to the accompanying report of the Secretary of State concerning two omissions from the English text of this convention as it was approved by the American delegates, and join in the recommendation which he makes that action by the Senate giving advice and consent to the ratification of the convention, if given, may include an understanding that the two omitted phrases are to be included in the ratification.

CALVIN COOLIDGE.

THE WHITE HOUSE, January 31, 1924.

#### THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, an authenticated copy each of the English, Spanish, Portuguese, and French texts of a convention for the protection of commercial, industrial, and agricultural trade-marks and commercial names, which was signed at Santiago, Chile, on April 28, 1923, by the delegates of the United States and of the other Governments represented at the Fifth International Conference of American States.

The convention was signed in one original, which is deposited in the ministry for foreign affairs of the Republic of Chile, by which the authenticated copies of the four texts herewith submitted were furnished.

It is evident from a comparison of the four texts, and after consultation of the records of the American delegation to the conference that, due to an error of the printer, there are two inadvertent omissions from the authenticated English text, one from Section I, Article VIII, of the Convention, and the other from Article II of the Appendix.

In the authenticated English, Spanish, Portuguese, and French texts Article VIII, Section I, of the convention reads respectively as follows:

SECTION 1. To keep a detailed record of the applications for the recognition of marks received through the national offices of registration of this convention, as well as of all assignments or transfers thereof and of all notices pertaining thereto.

PARAFO I. Llevar nota circunstanciada de las solicitudes de reconocimiento de marcas que reciban por medio de las oficinas nacionales y tramiten para los efectos de esta Convencion, asi como de las transferencias y demas datos que a dichas marcas se referan.

PARAGRAPHE 1. Prendre note detaillee des demandes de reconnaissance de marques, transmises par l'intermediaire des bureaux nationaux. Leur donner cours, selon cette Convention. Tenir compte des transferts et autres renseignements se rapportant a ces marques.

PARAGRAPHO 1. Manter um assentamento detalhado dos pedidos de reconhecimento de marcas recebidos por intermedio das repartições nacionais e que lhes forem enviados para os efeitos desta Convenção, assim como das transferencias ou demais informacoes relativas as ditas marcas.

To make the meaning clear and to conform to the texts in the other languages the English text of this section should read as follows:

SECTION 1. To keep a detailed record of the applications for the recognition of marks received through the national offices of registration and to which they give course for the purposes of this convention, as well as of all assignments or transfers thereof and of all notices pertaining thereto.

The words in italics, namely, "and to which they give course for the purposes," are those which are omitted from the authenticated English text, and they should be inserted in order to make the meaning clear and to make the English text conform to the texts of the other three languages.

Article II of the authenticated Appendix, subheading C, line 2, reads in the four languages as follows:

The date of the application in the State of first registration or deposit;

La fecha de la solicitud de registro en el Estado de primer registro o deposito;

La date de la premiere demande d'enregistrement ou depot.

A data do pedido de registro no Estado de primeiro registro ou deposito.

To make its meaning clear and to conform to the languages of the other texts, the line mentioned should be made to read as follows:

The date of the application for registration in the State of first registration or deposit.

The words "for registration" are those omitted from the authenticated English text.

The English text of this convention is of direct importance only to this country, inasmuch as the languages of the other signatory countries are Spanish, French, or Portuguese. The convention, however, was signed in the four languages, and in order to make the necessary corrections in the English text this Government would require authorization from each one of the other 17 signatory Governments. This would entail an indefinite and unfortunate delay in submitting the treaty to the Senate. It is therefore suggested that it be recommended to the Senate that in giving its advice and consent to ratification, if it should do so, such action be taken with the expressed understanding that Article VIII, Section I, and Article II of the Appendix, subheading C, line 2, should read as set forth above in the corrected paragraphs.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,

Washington, January 30, 1924.

#### FIFTH INTERNATIONAL CONFERENCE OF AMERICAN STATES.

#### CONVENTION FOR THE PROTECTION OF COMMERCIAL, INDUSTRIAL, AND AGRICULTURAL TRADE-MARKS AND COMMERCIAL NAMES.

Their excellencies the Presidents of Venezuela, Panama, United States of America, Uruguay, Ecuador, Chile, Guatemala, Nicaragua, Costa Rica, Brazil, Salvador, Colombia, Cuba, Paraguay, Dominican Republic, Honduras, Argentine Republic, and Haiti.

Being desirous that their respective countries may be represented at the Fifth International Conference of American States, have sent thereto, the following Delegates, duly authorized to approve the recommendations, resolutions, conventions, and treaties which they might deem advantageous to the interests of America:

Venezuela: César Zumeta, José Austria;

Panamá: Narciso Garay, José Lefevre;

United States of America: Henry B. Fletcher, Frank B. Kellogg, Atlee Pomerene, Willard Saulsbury, Frank C. Partridge, George E. Vincent, William Eric Fowler, Leo S. Rowe;

Uruguay: J. Antonio Bureo, Eugenio Martinez Thedy;

Ecuador: Rafael M. Arizaga, José Rafael Bustamente, Dr. Alberto Muñoz Vernaza;

Chile: Agustín Edwards, Manuel Rivas Vicuña, Carlos Aldunate Solar, Luis Barros Borgoño, Emilio Bello Codesido, Antonio Huneeus, Alcibiades Roldán, Guillermo Subercaseaux, Alejandro del Río;

Guatemala: Eduardo Poirier, Máximo Soto Hall;

Nicaragua: Carlos Cuadra Pasos, Arturo Elizondo;

Costa Rica: Alejandro Alvarado Quirós;

United States of Brazil: Afranio de Mello Franco, Sylvino Gurgel do Amaral, J. de P. Rodriguez Alves, A. de Ipanema Moreira, Helio Lobo;

El Salvador: Cecilio Bustamente;



Colombia: Guillermo Valencia, Laureano Gómez, Carlos Uribe Echeverri;

Cuba: José C. Vidal y Caro, Carlos García Vélaz, Aristides Agüero, Manuel Márquez Sterling;

Paraguay: Manuel Gondra;

Dominican Republic: Tulio M. Cestero;

Honduras: Benjamín Villaseca Mujica;

Argentine Republic: Manuel Augusto Montes de Oca, Fernando Sagüer, Manuel Malbrán;

Haiti: Arturo Rameau.

Who, after having presented their credentials and the same having been found in due and proper form, have agreed upon the following Convention for the Protection of Commercial, Industrial, and Agricultural Trade-Marks, and Commercial Names, which shall be regarded as revision of the Convention of Buenos Aires of 1910:

#### ARTICLE I

SECTION 1. The High Contracting Parties agree that any commercial, industrial, or agricultural trade-mark registered or deposited in any of the States signatory of the Convention, by a person domiciled in any of such States, either directly, or through his duly authorized representative, may obtain in the other signatory States the same protection granted by them to the marks registered or deposited in their own territory, without prejudice to the rights of third parties and provided that the formalities and conditions required by the domestic law of each State, as well as the following requirements, are complied with:

(a) Any person interested in the registration or deposit of the mark shall present to the proper Inter American Bureau through the proper office of the State of first registration or deposit, an application for recognition of the rights claimed, in accordance with the requirements prescribed in the Appendix of this Convention, which is declared to be a part hereof.

(b) He shall pay, besides the fees or charges established by the domestic legislation of each State in which recognition of rights is desired, and other expenses incident to such recognition, a fee equivalent in value to fifty dollars (\$50.00) United States gold, this sum to be paid only once for each period and for a single mark. Such fee shall be used to cover the expenses of the said Inter American Bureau.

SECTION 2. The period during which protection is granted shall be the same as that accorded by the laws of the particular State.

SECTION 3. Protection under this Convention may be renewed at the expiration of each period upon fulfillment of the requirements set forth in paragraph (b) hereof. Application for renewal may also be made by the interested party directly to the proper Inter American Bureau.

SECTION 4. Commercial names shall be protected in all the signatory States, without deposit or registration, whether the same form part of a trade mark or not, in accordance with the domestic law of each State.

#### ARTICLE II

The date of filing in the State where first application is made for registration or deposit through the proper Inter American Bureau, in the absence of other proof of ownership of a mark, shall determine priority for the registration or deposit of such mark in any of the signatory States.

#### ARTICLE III

SECTION 1. Each signatory State, upon receipt of an application for recognition communicated by the proper Inter American Bureau, shall determine whether protection can be granted in accordance with its laws, and notify the Inter American Bureau as soon as possible of its decision.

SECTION 2. In case objection is made to the registration or deposit of a mark under this Convention, the term to answer such objection in the country where it is made shall begin ninety days after the date of sending notice of such objection to the proper Inter American Bureau. This Bureau shall have no other part in the controversy originated by the opposition.

#### ARTICLE IV

The transfer of a mark registered or deposited in one of the contracting States shall be equally recognized in each one of the other States with the same force and effect as if made in accordance with the respective laws of each one of those States, provided that the mark transferred is a mark registered or deposited in the country where the recognition of transference under this Convention is applied for, and provided that the principles of Article V of this Convention are not impaired. Notification of transfer shall be made through the

proper office of the State of first registration or deposit and the proper Inter American Bureau, upon payment of the fees corresponding to each State for such transference.

#### ARTICLE V

SECTION 1. In any civil, criminal, or administrative proceeding arising in a country with respect to a mark, such as opposition, falsification, imitation, or unauthorized appropriation, as also the false representation as to the origin of a product, the domestic authorities of the same State alone shall have jurisdiction thereof, and the precepts of law and procedure of that State shall be observed.

SECTION 2. When refused protection under this Convention in a signatory State because of prior registration or a pending application for registration, the proprietor of a mark claiming recognition of rights under this Convention shall have right to seek and obtain the cancellation of the previously registered mark, upon proving, according to the procedure by law of the country where cancellation is sought, such refusal and either:

(a) That he had legal protection for his mark in any of the contracting States before the date of application for the registration which he seeks to cancel; or

(b) That the registrant had no right to the ownership, use, or employment of the registered mark at the date of its deposit; or

(c) That the mark covered by the registration which he seeks to cancel has been abandoned.

SECTION 3 (transitory). Those who have heretofore sought the benefits of this Convention for their marks and who have been denied protection in certain States, may avail themselves of the right established in this article within two years after the present revision enters into effect. Those who subsequently seek to secure the benefits of the Convention shall have a period of one year, calculated in each instance from the day following that of the receipt by the proper Inter American Bureau of notice of refusal of protection, within which they may avail themselves of this right.

SECTION 4. This recourse shall not be applicable to trade-marks the registration or deposit of which is already beyond question under national legislation; but it shall apply to renewals.

SECTION 5. The proof that a trade-mark conceals or misrepresents the true quality, nature, or origin of the merchandise covered by it, shall be cause for cancellation of the registration or deposit effected through the respective Inter American Bureau.

#### ARTICLE VI

For the purposes indicated in the present Convention, a Union of American Nations is hereby constituted which shall act through two international Bureaus, established, one in the city of Havana and the other in the city of Rio de Janeiro.

#### ARTICLE VII

The High Contracting Parties agree to confer the postal frank on the official correspondence of the Bureaus.

#### ARTICLE VIII

The Inter American Bureaus for the registration of trade-marks shall have the following duties:

SECTION 1. To keep a detailed record of the applications for the recognition of marks received through the national offices of registration of this Convention, as well as of all assignments or transfers thereof and of all notices pertaining thereto.

SECTION 2. To communicate to each of the contracting States, for such action as may be necessary, the applications for recognition received.

SECTION 3. To distribute the fees received, in accordance with the provisions of paragraph (b), Article I.

The Inter American Bureaus shall remit to the proper governments or, if the governments should so desire, to their local representatives in Havana and Rio de Janeiro, duly authorized therefor, the charges stipulated, at the time when recognition of the alleged rights is requested by the applicant in accordance with this Convention. The cost of remitting the said charges shall be for account of the States to which remittance is made. The Inter American Bureaus shall return to the interested parties any sums returned to such Bureaus.

SECTION 4. To communicate to the State of first registration or deposit, for the information of the owner of the mark, the notices received from other countries with respect to the granting, opposition to, or denial of protection, or any other circumstance related to the mark.

SECTION 5. To publish periodical bulletins in which shall appear notices of applications for protection in accordance with



this Convention, received from and sent to the various States under the provisions of the Convention, as well as documents, information, studies and articles concerning protection of industrial property.

The High Contracting Parties agree to furnish to the Inter American Bureaus all the official gazettes, reviews and other publications containing notices of the registration of trade-marks and commercial names, as well as of judicial proceedings and decisions relative thereto.

SECTION 6. To carry on any investigation on the subject of trade-marks which the government of any of the signatory States may request, and to encourage the investigation of problems, difficulties or obstacles which may hinder the operation of this Convention.

SECTION 7. To cooperate with the governments of the contracting States in the preparation of material for international conferences on this subject; to present to the said States such suggestions as they may consider useful, and such opinions as may be requested as to what modifications should be introduced in the present Convention, or in the laws concerning industrial property; and in general to facilitate the execution of the purposes of this Convention.

SECTION 8. To inform the signatory governments at least once a year as to the work which the Bureaus are doing.

SECTION 9. To maintain relations with similar offices, and scientific and industrial institutions and organizations for the exchange of publications, information, and data relative to progress of the law of industrial property.

SECTION 10. To establish, in accordance with the provisions of this Convention, the regulations which the Directors may consider necessary for the internal administration of the Bureaus.

#### ARTICLE IX

The Bureau established in the city of Havana shall arrange with the contracting States for the registration or deposit of commercial, industrial, and agricultural trade-marks coming from the United States of America, Cuba, Haiti, Dominican Republic, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, Colombia, and Ecuador.

The Bureau established in Rio de Janeiro shall arrange for the registration of the marks coming from Brazil, Uruguay, the Argentine Republic, Paraguay, Chile, and Venezuela.

*Transitory paragraph.*—The Inter American Bureau of Rio de Janeiro shall be installed as soon as the present Convention shall have been ratified by one third of the signatory States.

#### ARTICLE X

The two Inter American Bureaus shall be considered as one, and, for the purposes of uniformity in their procedure, it is provided:

(a) That both Bureaus adopt the same system of books and of accounts;

(b) That each of them send to the other copies of all applications, registrations, communications and other documents relative to the recognition of the rights of owners of marks.

#### ARTICLE XI

The Inter American Bureaus shall both be governed by the same regulations, prepared for the purpose by the governments of the Republics of Cuba and of Brazil.

#### ARTICLE XII

The part of the fees received by each Inter American Bureau which is stipulated for this purpose by the provisions of this Convention, shall be assigned to the maintenance and operation thereof.

The proceeds of the sale of publications by the Inter American Bureau to individuals shall be assigned to the same purpose; and if both these sums should be insufficient, the deficit shall be paid by the contracting States in the following manner:

80% of the total deficit of the operating budget of both Bureaus shall be paid by the contracting States in proportion to the number of marks which they may have had registered each year through the Inter American Bureaus, and the balance of 20% by the same States in proportion to the number of marks they may have registered at the request of the Inter American Bureaus.

Any annual surplus in one of the Bureaus shall be assigned to the reduction of the deficit, if any, of the other.

The Inter American Bureaus shall not incur any expense or obligation which does not appear in their definitive budgets and for which no funds may have been made available at the time of incurring such expense or obligation.

The provisional budget of annual expenditures of each Bureau shall be submitted to the approval of the Government of

the State in which such Bureau is established, and shall be communicated to the contracting States for such observations as they may see fit to formulate.

The auditing of the accounts of the Inter American Bureaus shall be done by the officer authorized by the respective government, and the Directors of the Bureaus shall transmit the auditor's report to the contracting States through diplomatic channels.

#### ARTICLE XIII

Trade-marks which enjoy the protection of the Convention of 1910 shall continue to enjoy this protection without payment of any fees to the contracting States.

The High Contracting Parties agree that the protection accorded by their national legislation to all marks received up to the day on which the revised Convention becomes effective shall continue to be granted in accordance with the Convention of 1910, if they have ratified it.

NOTE.—This article provides for the continuity of protection of marks registered under the Convention of 1910.

#### ARTICLE XIV

The ratifications or adhesions to this Convention shall be communicated to the Government of the Republic of Chile, which shall communicate them to the other signatory or adhering States. These communications shall take the place of an exchange of ratifications.

The revised Convention shall become effective thirty days after the receipt by the Government of Chile of notice of ratification by a number of countries equivalent to one third of the signatory States, and from that moment the Convention signed on August 20, 1910, shall cease to exist, without prejudice to the provisions of Article XIII of this Convention.

The Government of Chile obligates itself to communicate by telegraph and in writing to all the signatory and adhering States the date on which the Convention in its present form becomes effective in accordance with the provisions of this Article.

#### ARTICLE XV

The American States not represented in this Conference may adhere to this Convention by communicating their decision in due form to the Government of the Republic of Chile, and shall be assigned to the group which each may select.

#### ARTICLE XVI

Any signatory State that may see fit to withdraw from this Convention, shall so notify the Government of the Republic of Chile, which shall communicate the fact to the other signatory States; and one year after the receipt of such notification, this Convention shall cease in respect of the State that shall have withdrawn, but such withdrawal shall not affect the rights previously acquired in accordance with this Convention.

#### ARTICLE XVII

The Inter American Bureaus shall continue so long as not less than one-half of the ratifying States adhere to the Convention. If the number of States adhering to the Convention shall become less than half, the Bureaus shall be liquidated under the direction of the Governments of Cuba and Brazil, and their funds shall be distributed among the adhering countries in the same proportion as they would have contributed to their support. The buildings and other tangible property of the Bureaus shall become the property of the Governments of Cuba and Brazil, respectively, in recognition of the services of those Republics in giving effect to the Convention, it being understood that the said Governments shall dedicate such property to purposes preeminently inter American in character.

The High Contracting Parties agree to accept as final any steps which may be taken for the liquidation of the Bureaus.

The termination of the Convention shall not affect rights acquired during the period of its effectiveness.

#### ARTICLE XVIII

Any differences between the contracting States relative to the interpretation or execution of this Convention shall be decided by arbitration.

#### APPENDIX

##### REGULATIONS

ARTICLE I. Any application to obtain protection under the Convention of which the present appendix is a part shall be made by the owner of the mark or his legal representative to the administration of the State of first registration or deposit, in the manner prescribed by the respective regulations, accompanied by a money order payable to the Director of the proper Inter American Bureau in the sum required by this Convention. His application and money order shall be accompanied by an



electrotype of the mark reproducing it as registered in the State of first registration or deposit and having the dimensions required in the State of first registration or deposit.

ARTICLE II. The administration of the State of first registration or deposit, having ascertained that the registration of the mark is regular and in force, shall send to the Inter American Bureau:

- A. The money order;
- B. The electrotype of the mark;
- C. A certificate in duplicate containing the following details:
  1. The name and address of the owner of the mark;
  2. The date of the application for registration in the State of first registration or deposit;
  3. The date of registration of the mark in the State of first registration or deposit;
  4. The order number of the registration in the State of first registration or deposit;
  5. The date of expiration of the protection of the mark in the State of first registration or deposit;
  6. A facsimile of the mark;
  7. A statement of the goods on which the mark is used;
  8. The date of the application for recognition of the rights claimed under the Convention.

Should the applicant wish to claim color as a distinctive element of his mark, he shall send thirty copies of the mark printed on paper, showing the color, and a brief description of the same.

ARTICLE III. The proper Inter American Bureau, upon receipt of the communication of the office of the State of first registration or deposit, mentioned in the foregoing article, shall enter all the information in its books and inform the office of the State of first registration or deposit of the receipt of the application and of the number and date of the entry.

ARTICLE IV. Copies of the entry in the books of the respective Inter American Bureau containing all the details required shall be sent to the administration of the States in which the Convention has been ratified and in which protection is applied for. This data shall also be sent to the other contracting States, for the purposes of information.

ARTICLE V. The Inter American Bureaus shall publish in their bulletins reproductions of the marks received and such particulars as are necessary.

ARTICLE VI. The notice of acceptance, opposition or refusal of a mark by the contracting States shall be transmitted by the proper Inter American Bureau to the administration of the State of first registration or deposit with a view to its communication to whom it may concern.

ARTICLE VII. Changes in ownership of a mark communicated to the respective Inter American Bureau shall be entered in its register and corresponding notice sent to other contracting States.

ARTICLE VIII. The Directors of the Inter American Bureaus may, in their discretion, appoint or remove the officials or employees of their Bureaus, giving notice thereof to the governments of the countries where such offices are established.

In Witness whereof, the Delegates sign this Convention, and affix the seal of the Fifth International Conference of American States, in the city of Santiago, Chile, on the twenty-eighth day of the month of April in the year one thousand nine hundred and twenty-three, in English, Spanish, Portuguese and French.

This Convention shall be filed in the Ministry of Foreign Affairs of the Republic of Chile in order that certified copies may be made and forwarded through appropriate diplomatic channels to each of the Signatory States.

(Signed) for Venezuela: C. Zumeta, José Austria; for Panama: Marciso Garay, J. E. Lefevre; for the United States of America: Henry P. Fletcher, Frank B. Kellogg, Atlee Pomerene, Willard Saulsbury, Frank C. Partridge, George E. Vincent, William Eric Fowler, L. S. Rowe; for Uruguay: J. A. Buero, Eugenio Martínez Thedy; for Ecuador: Rafael M. Arizaga, José Rafael Bustamante, A. Muñoz Vernaza; for Chile: Agustín Edwards, Manuel Rivas Vicuña, Carlos Aldunate S., L. Barros B., Emilio Bello C., Antonio Huneeus, Alcibíades Roldán, Guillermo Subercaseaux, Alejandro del Río; for Guatemala: Eduardo Poirier, Máximo Soto Hall; for Nicaragua: Carlos Cuadra Pasos, Arturo Elizondo; for Costa Rica: Alejandro Alvarado Quirós; for the United States of Brazil: Afranio de Mello Franco, S. Gurgel do Amaral, J. de P. Rodríguez Alves, A. de Ipanema Moreira, Heilio Lobo; for El Salvador: Cecilio Bustamante; for Colombia: Guillermo Valencia, Laureano Gómez, Carlos Uribe Echeverri; for Cuba: J. C. Vidal Caro, Carlos García Vélaz, A. de Agüero, M. Márquez Sterling; for Paraguay: M. Gondra; for the Dominican Republic: Tulio M. Cestero; for Honduras: Benjamín Villaseca M.; for the Ar-

gentine Republic: M. A. Montes de Oca, Fernando Saguer, Manuel E. Malbrán; for Hayti: Arthur Rameau.

MANUEL RIVAS VICUÑA

Secrétaire General.

(Seal of the Fifth Pan American Conference)

Esta conforme

ALBERTO CRUCHAGA

(Stamp of the Ministry for Foreign Affairs of Chile.)

*Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification on the part of the United States of Executive U, a convention for the protection of commercial, industrial, and agricultural trade-marks and commercial names, signed at Santiago, Chile, on April 28, 1923, between the United States and other Governments represented at the Fifth International Conference of American States, subject to the following understandings or conditions:*

First, that in section 1 of Article VIII the words "and to which they give course for the purposes," the equivalents of which appear in the Spanish, Portuguese, and French texts of the convention, shall be inserted in the English text after the word "registration," so that the English text of the section shall read as follows:

"SECTION 1. To keep a detailed record of the applications for the recognition of marks received through the national offices of registration and to which they give course for the purposes of this convention, as well as of all assignments or transfers thereof and of all notices pertaining thereto."

Second, that in Article II of the Appendix, subheading C, line 2, the words "for registration," the equivalents of which appear in the Spanish, Portuguese, and French texts, shall be inserted in the English text after the word "application," so that the English text of the line shall read as follows:

"2. The date of the application for registration in the State of first registration or deposit."

Third, that the expressions in Article I "without prejudice to the rights of third parties" and in Article II "in the absence of other proof of ownership of a mark" are, and shall be, interpreted to protect every user of a trade-mark in the United States having ownership thereof by reason of adoption and use, and with or without subsequent registration, from any claim of priority under this convention based upon an application or a deposit in a signatory State subsequent to the actual date of such adoption and use in the United States.

Fourth, that the expression "legal protection for his mark" in Section 2 (a) of Article V shall be interpreted to include ownership of the mark in the United States acquired by adoption and use and with or without subsequent registration.

Fifth, that nothing contained in this convention shall take away or lessen any trade-mark right or any right to use a trade-mark of any person residing or doing business in the United States heretofore or hereafter lawfully acquired under the common law or by virtue of the statutes of the several States or of the United States.

#### ADJOURNMENT

Mr. CURTIS. I move that the Senate adjourn, the adjournment being under the order previously entered, until 11 o'clock to-morrow.

The motion was agreed to; and the Senate (at 6 o'clock and 55 minutes p. m.) adjourned until to-morrow, Wednesday, February 25, 1925, at 11 o'clock a. m.

#### NOMINATIONS

*Executive nominations received by the Senate February 24 (legislative day of February 17), 1925*

##### ASSISTANT SECRETARY OF THE INTERIOR

John H. Edwards, of Indiana, to be Assistant Secretary of the Interior, vice Francis M. Goodwin, resigned.

##### POSTMASTERS

###### COLORADO

William B. Edwards to be postmaster at Erie, Colo., in place of W. J. Jones, resigned.

###### FLORIDA

James E. Parrish to be postmaster at Larkins, Fla., in place of G. L. Sanders. Office became third class January 1, 1924.

###### GEORGIA

Mark A. Greene, jr., to be postmaster at Tallapoosa, Ga., in place of V. L. Howe, resigned.

Fannie M. Vaughn to be postmaster at Jeffersonville, Ga., in place of J. R. Wimberly, deceased.



Beulah L. McCall to be postmaster at Hinesville, Ga., in place of B. L. McCall. Office became third class October 1, 1923.

Mary V. Lynch to be postmaster at Fort Screven, Ga., in place of Ellen Hustl. Office became third class October 1, 1923.

Henry F. Bullard to be postmaster at Cochran, Ga., in place of W. E. Dunham, resigned.

Karleene Fowler to be postmaster at Acworth, Ga., in place of C. A. Reed, removed.

James L. Dunson to be postmaster at Commerce, Ga., in place of W. T. Thurmond. Incumbent's commission expired July 28, 1923.

William T. Pilcher to be postmaster at Warrenton, Ga., in place of R. I. Corbin. Incumbent's commission expired July 28, 1923.

Stella Phelps to be postmaster at Nashville, Ga., in place of R. H. Wheless. Incumbent's commission expired December 10, 1922.

Robert L. Callan to be postmaster at Norman Park, Ga., in place of R. L. Callan. Incumbent's commission expired February 4, 1924.

Abbie F. Beacham to be postmaster at Glenwood, Ga., in place of A. F. Beacham. Incumbent's commission expired July 28, 1923.

Luther A. Jenkins to be postmaster at Crumps Park, Ga., in place of R. E. Millrons. Incumbent's commission expired August 29, 1923.

Frances E. Chapman to be postmaster at Buena Vista, Ga., in place of F. E. Chapman. Incumbent's commission expired February 4, 1924.

Mae Gibbs to be postmaster at Broxton, Ga., in place of B. R. Leggett. Incumbent's commission expired August 29, 1923.

Essie C. Ware to be postmaster at Austell, Ga., in place of J. L. Brooks. Incumbent's commission expired June 4, 1924.

Wesley S. Kickliter to be postmaster at Alma, Ga., in place of W. S. Kickliter. Incumbent's commission expired February 4, 1924.

## ILLINOIS

Arden S. Coryell to be postmaster at West Union, Ill., in place of A. H. Simpson, resigned.

Glenn R. Adams to be postmaster at Carpentersville, Ill., in place of J. H. Bumsted. Incumbent's commission expired June 5, 1924.

John T. Kelahan to be postmaster at Algonquin, Ill., in place of J. T. Kelahan. Incumbent's commission expired August 29, 1923.

## INDIANA

Orvis H. Betts to be postmaster at Garrett, Ind., in place of H. M. Van Lear. Incumbent's commission expired June 5, 1924.

## KENTUCKY

Morris Browning to be postmaster at Greasy Creek, Ky., in place of Morris Browning. Office became third class July 1, 1924.

## MISSISSIPPI

Scott H. Speck to be postmaster at Blue Springs, Miss., in place of J. W. Crane. Office became third class October 1, 1923.

Will N. Guyton to be postmaster at Blue Mountain, Miss., in place of W. N. Guyton. Incumbent's commission expired June 4, 1924.

## MONTANA

Madge I. Melvin to be postmaster at Rexford, Mont., in place of M. I. Melvin. Office became third class October 1, 1924.

## NEBRASKA

Catherine Tumberg to be postmaster at Verdel, Nebr., in place of M. M. McColley, resigned.

Ernest J. Kaltenborn to be postmaster at Waco, Nebr., in place of E. J. Kaltenborn. Incumbent's commission expired June 4, 1924.

## NEW JERSEY

Harvey E. Harris to be postmaster at Bloomfield, N. J., in place of C. R. Blunt, resigned.

William H. Brown to be postmaster at Beachwood, N. J., in place of W. H. Brown. Office became third class October 1, 1924.

## NEW YORK

Alexander Angyal to be postmaster at Monsey, N. Y., in place of Alexander Angyal. Office became third class October 1, 1924.

## TENNESSEE

Anna G. Spears to be postmaster at Normal, Tenn., in place of A. G. Spears. Office became third class January 1, 1925.

## TEXAS

Robert W. Scurlock to be postmaster at Tenaha, Tex., in place of J. L. Davis, resigned.

Annie L. Thompson to be postmaster at Manning, Tex., in place of A. C. Polk, resigned.

Alta Perkins to be postmaster at Aspermont, Tex., in place of Alta Perkins. Incumbent's commission expired August 15, 1923.

## WEST VIRGINIA

Nancy Ridenour to be postmaster at Ridgeley, W. Va., in place of B. M. Moreland. Office became third class October 1, 1923.

Albert S. J. Hopkins to be postmaster at Braeholm, W. Va., in place of A. S. J. Hopkins. Office became third class January 1, 1925.

## WISCONSIN

Frances W. Kulwiec to be postmaster at Lublin, Wis., in place of F. W. Kulwiec. Office became third class October 1, 1924.

Arthur Miller to be postmaster at Withee, Wis., in place of H. P. Hansen. Incumbent's commission expired May 28, 1924.

George A. Murray to be postmaster at Wisconsin Veterans' Home, Wis., in place of G. A. Murray. Incumbent's commission expired August 29, 1923.

Nellie M. Clark to be postmaster at Suring, Wis., in place of R. A. Grignon. Incumbent's commission expired August 29, 1923.

Lyle E. Dye to be postmaster at Mazomanie, Wis., in place of James O'Hara. Incumbent's commission expired June 5, 1924.

Vilas A. Kellman to be postmaster at Galesville, Wis., in place of Nels Pederson. Incumbent's commission expired March 22, 1924.

J. Charles Pile to be postmaster at Dodgeville, Wis., in place of J. E. O'Neill. Incumbent's commission expired March 22, 1924.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate February 24 (legislative day of February 17), 1925*

## AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY

Alanson B. Houghton to be ambassador extraordinary and plenipotentiary to Great Britain.

## PROMOTION IN THE FOREIGN SERVICE

## FOREIGN SERVICE OFFICERS

## Class 1

William Coffin. Ralph J. Totten.

## Class 2

Norman Armour. Robert Frazer, jr.  
Frederic R. Dolbeare. Edward J. Norton.  
Allen W. Dulles. Francis White.

## Class 3

Cornelius Ferris. John F. Martin.  
Arthur Bliss Lane. Walter C. Thurston.

## Class 4

Thomas H. Bevan. Wilbur Keblinger.  
George A. Bucklin. Walter A. Leonard.  
W. Roderick Dorsey. Keith Merrill.  
Edward A. Dow. Kenneth S. Patton.  
Charles L. Hoover. John R. Putnam.  
Ernest L. Ives. James B. Young.

## Class 5

Walter F. Boyle. John M. Savage.  
Homer Brett. Orme Wilson, jr.  
Erle R. Dickover. Warden McK. Wilson.  
Frederick F. A. Pearson.

## Class 6

Austin C. Brady. Karl de G. MacVitty.  
Alfred T. Burri. Ernest B. Price.  
Reed Paige Clark. Paul C. Squire.  
John Corrigan, jr. Raymond P. Tenney.  
Cecil M. P. Cross. Marshall M. Vance.  
Dudley G. Dwyre. George Wadsworth.  
John G. Erhardt. Henry S. Waterman.  
George D. Hopper. Harold L. Williamson.  
Robert L. Keiser. Roneyn Wormuth.

## Class 7

John S. Calvert. Alexander K. Sloan.  
Walter A. Foote. Leroy Webber.  
H. Earle Russell. Howard F. Withey.  
Lester L. Schnare.



## Class 8

Richard P. Butrick.	Joseph G. Groeninger.
Charles L. DeVault.	Richard B. Haven.
Raymond H. Geist.	Edward P. Lowry.
Bernard F. Hale.	Sidney E. O'Donoghue.
Christian M. Ravndal.	Earl L. Packer.
Charles A. Bay.	Edwin A. Plitt.
David C. Berger.	Laurence E. Salisbury.
Henry R. Brown.	Leo D. Sturgeon.
Harold M. Collins.	Rollin R. Winslow.

## UNITED STATES ATTORNEYS

Albert Ward to be United States attorney, district of Indiana.  
Haveth E. Mau to be United States attorney, southern district of Ohio.

## POSTMASTERS

## KENTUCKY

William E. Proctor, Morehead.

## MISSISSIPPI

George F. McLelland, Newton.

## NEW JERSEY

Fred P. Crater, Gladstone.

Sealah P. Clark, Pitman.

## NORTH CAROLINA

Jesse L. Riggs, Bayboro.

## VIRGINIA

Robert N. Goodloe, Afton.

Ella P. White, Austinville.

Edgar E. Rawlings, Capron.

William P. Gilbert, Cleveland.

Margaret H. Hardy, McKenney.

Devon R. Raymer, Roda.

John H. Tyler, Upperville.

Mary O. Pumphrey, West Point.

## HOUSE OF REPRESENTATIVES

TUESDAY, February 24, 1925

The House met at 12 o'clock noon.

Dr. Lucius C. Clark, chancellor of American University, Washington, D. C., offered the following prayer:

Oh God, our help in ages past,  
Our hope for years to come,  
Our shelter from the stormy blast,  
And our eternal home.

We return Thee thanks this morning for Thy great goodness.  
We pray for Thy divine help. Illuminate our minds and purify our hearts and give us a new zeal to do the work of the day. To the glory of God. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4302. An act incorporating the Imperial Council of the Ancient Arabic Order of the Nobles of the Mystic Shrine for North America; and

S. 4352. An act to create an additional judge in the district of Minnesota.

The message also announced that the President pro tempore had appointed Mr. KENDRICK as conferee on the bill (H. R. 7687) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboin Indians may have against the United States, and for other purposes.

## ENROLLED BILLS SIGNED

Mr. ROSENBLUM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 491. An act for the prevention of venereal diseases in the District of Columbia, and for other purposes;

H. R. 5726. An act to amend the act of Congress of March 3, 1921, entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act of Congress for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes'";

H. R. 9343. An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims;

H. R. 10533. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a bridge across the Columbia River;

S. 4045. An act granting the consent of Congress to W. D. Comer and Wesley Vandercook to construct a bridge across the Columbia River between Longview, Wash., and Rainier, Oreg.; and

S. 3765. An act to authorize a five-year building program for the public-school system of the District of Columbia which shall provide school buildings adequate in size and facilities to make possible an efficient system of public education in the District of Columbia.

## SENATE BILL REFERRED

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4302. An act incorporating the Imperial Council of the Ancient Arabic Order of the Nobles of the Mystic Shrine for North America; to the Committee on the Judiciary.

## BRIDGE ACROSS PEND D'OREILLE RIVER, IDAHO

Mr. FRENCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11706) a bill to authorize the construction of a bridge across the Pend d'Oreille River, Bonner County, Idaho, at the Newport-Priest River Road crossing, Idaho, which has passed the House and Senate with an amendment, and to agree with the Senate amendment.

The SPEAKER. The gentleman from Idaho calls up a bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 11706) an act to authorize the construction of a bridge across the Pend d'Oreille River, Bonner County, Idaho, at the Newport-Priest River Road crossing, Idaho.

The Senate amendments were read.

The question was taken, and the Senate amendments were agreed to.

## SUITS FOR DAMAGES AND SALVAGE OF VESSELS BELONGING TO THE UNITED STATES

Mr. UNDERHILL. Mr. Speaker, I call up the conference report on the bill H. R. 9535.

The SPEAKER. The gentleman from Massachusetts calls up the conference report on the bill which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 9535) authorizing suits against the United States in admiralty for damages caused by and salvage services rendered to the public vessels belonging to the United States, and for other purposes.

The conference report and statement are as follows:

## CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9535) authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment and agree to the same.

G. W. EDMONDS,  
CHARLES L. UNDERHILL,  
JOHN C. BOX,

Managers on the part of the House.

ARTHUR CAPPER,  
SELDEN P. SPENCER,  
THOMAS F. BAYARD,

Managers on the part of the Senate.

## STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9535) authorizing suits against the United States in admiralty submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

That in suits against the Government cause of action shall arise after the 6th day of April, 1920, instead 6th day of April, 1917.

G. W. EDMONDS,  
CHARLES L. UNDERHILL,  
JOHN C. BOX,

Managers on the part of the House.